

INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

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**REPORT AND  
ACCOUNTS FOR THE  
YEAR ENDED  
THE THIRTY FIRST  
OF MAY 1968**



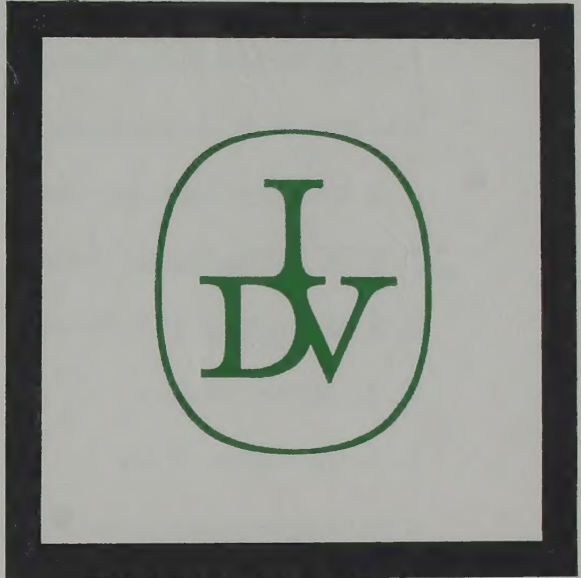


# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

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## SUMMARY OF RESULTS 31ST MAY 1968

	1968	1967
	£	£
Sales . . . . .	81,067,000	51,345,000
Profit before Taxation . . . . .	5,719,000	3,281,000
Profit earned for Shareholders . . . . .	3,207,000	1,904,000
Ordinary Dividend gross . . . . .	2,550,000	1,741,000
Rate of Dividend . . . . .	19.6%	19%



**REPORT AND  
ACCOUNTS FOR THE  
YEAR ENDED  
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OF MAY 1968**

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## **DIRECTORS (and their responsibilities)**

H. C. B. Berens, M.C., *Chairman*

The Hon. F. F. G. Hennessy, M.B.E., *Deputy Chairman*

J. G. Grinling, *Managing Director*

D. B. E. Belson, *Export Trade*

S. H. M. Bradley, *U.K. Production and Distribution*

W. A. Gilbey, *Finance*

R. A. Gold, *Home Trade*

G. M. Hallowes, *European Wine Companies*

S. A. H. W. Heneage, *U.K. Purchasing*

R. A. M. Hart (*American*), *Non-Executive*

K. B. M. J. Hennessy (*French*), *Non-Executive*

A. T. R. Nicholson, *Non-Executive*

W. P. Serocold, D.S.O., T.D., *Non-Executive*

## **SECRETARY AND REGISTERED OFFICE**

F. E. Lee, F.C.I.S.

1 York Gate, London, N.W.1.

## **AUDITORS**

Turquand, Youngs & Co.,  
4 Coleman Street, London, E.C.2.

## **REGISTRARS**

Glyn, Mills & Co.,  
Salisbury Square House,  
Salisbury Square, London, E.C.4.

## **SOLICITORS**

Slaughter and May,  
35 Basinghall Street, London, E.C.2.  
and

Baileys, Shaw & Gillett,  
5 Berners Street, London, W.1.

## **BANKERS**

Barclays Bank Ltd.,  
170 Fenchurch Street, London, E.C.3.

## **BROKERS**

James Capel & Co.,  
77 London Wall, London, E.C.2.  
and  
David A. Bevan, Simpson & Co.,  
37 Threadneedle Street, London, E.C.2.

## **MERCHANT BANKERS**

Hambros Bank Ltd.,  
41 Bishopsgate, London, E.C.2.  
and

Kleinwort, Benson Ltd.,  
Aldermanbury House,  
Aldermanbury Square, London, E.C.2.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

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# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## NOTICE OF MEETING

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held at The Carlton Tower, Cadogan Place, Sloane Street, London, S.W.1. on Thursday, 19th December, 1968 at 12 o'clock noon for the following purposes:

### *As Ordinary Business*

#### Resolution No.

- 1 To receive and adopt the Profit and Loss Account and Balance Sheet for the year ended 31st May, 1968, and the Reports of the Directors and of the Auditors thereon.
- 2 To declare a final dividend of 13.6%.  
To re-elect the following Directors:
  - 3 Mr. H. C. B. Berens, M.C.
  - 4 Mr. S. H. M. Bradley
  - 5 Mr. S. A. H. W. Heneage
  - 6 Mr. A. T. R. Nicholson
  - 7 Mr. W. P. Serocold, D.S.O., T.D.
- 8 To authorize the Directors to fix the remuneration of the Auditors.

### *As Special Business*

- 9 To consider and, if thought fit, to pass the following resolution which will be proposed as a Special Resolution:  
"That the regulations contained in the printed document submitted to the Meeting and for the purposes of identification subscribed by the Chairman thereof be and the same are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof".

By Order of the Board,  
F. E. LEE,  
Secretary.

Ordinary Shareholders only are entitled to attend and vote at this Meeting.

A Member entitled to attend and vote at this Meeting is entitled to appoint one or more proxies to attend and vote on his or her behalf. A proxy need not also be a member of the Company.

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A proxy form for the use of Ordinary Shareholders is enclosed. There are available for inspection at this office during normal business hours on any weekday, except Saturday, and at the Meeting until its conclusion:

- 1 A statement for the period from 7th November, 1967 to 6th November, 1968 of all transactions of each Director and of his family in the equity share capital of the Company.
- 2 Copies of contracts of service of Directors employed by the Company.

1 York Gate,  
London, N.W.1.  
22nd November, 1968.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## DIRECTORS' REPORT

The Directors have pleasure in submitting herewith to the Shareholders their Annual Report with the Accounts of International Distillers and Vintners Limited for the year ended 31st May, 1968, together with the Consolidated Accounts of the Group for the same period.

	£	£
The Consolidated Profit attributable to the Group after taxation is		3,207,000
Appropriations made and recommended:		
Dividends on Preference Shares to 31st May, 1968 have been paid		
6% Cumulative Redeemable Preference Shares	6,000	
6% Cumulative Second Preference Shares	43,000	
An Interim Dividend of 6% on the Ordinary Shares has been paid amounting to	781,000	
It is proposed to pay a Final Dividend of 13.6% on the Ordinary Shares in respect of the year to 31st May, 1968, which will absorb	1,769,000	
	<u>2,599,000</u>	
Less Transitional Taxation relief including adjustments for prior years	118,000	
	<u>2,481,000</u>	
Debenture Redemption Sinking Fund	4,000	
Capital Reserve	1,000	
	<u>2,486,000</u>	
		<u>721,000</u>
Unappropriated Profit brought forward	2,536,000	
Less Payments by way of damages for termination of Service Agreements of former Directors (£264,000) less estimated relief for Corporation Tax (£112,000)	152,000	
	<u>2,384,000</u>	
Leaving a total carry forward of		<u>£3,105,000</u>

## DIRECTORATE

The following were Directors of the Company during the financial year until 19th December, 1967: R. H. Cobbold, T. G. Fogden, A. R. D. Gilbey, Sir Derek Gilbey, Bt., Hon. J. H. P. Gilbey and K. Stevens. Mr. J. K. Peppercorn retired from the Board on 19th December, 1967, having attained the age of 65. Mr. P. A. S. Dauthieu died on 14th August, 1967.

No Director had an interest in any subsisting contract at the end of or during the financial year to which the Company or a Subsidiary was a party.

No arrangements subsisted at the end of or during the financial year to which the Company is or was a party whereby the Directors were enabled to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

At the end of the financial year the interests of the Directors and their families so far as the Directors were aware in the shares and debentures of the Company were as follows:

		31.5.1968		1.6.1967 (or date of appointment)	
Name	Class of Share or Beneficial Debenture Interests	Other Interests	Beneficial Interests	Other Interests	
H. C. B. Berens	Ordinary	75,825	—	72,172	—
Hon. F. F. G. Hennessy	Ordinary	329,950	253,125	829,950	961,827
	Red. Pref.	25	—	25	—
J. G. Grinling	Ordinary	54,775	11,866	51,912	11,672
	Second Pref.	—	—	7,500	—
D. B. E. Belson	Ordinary	2,288	—	2,253	—
W. A. Gilbey	Ordinary	252,444	245,550	252,336	229,750
R. A. Gold	Ordinary	32,270	20,875	31,585	20,544
	Second Pref.	900	—	900	—
G. M. Hallows	Ordinary	1,183,816	—	1,179,666	—
	Red. Pref.	4,350	—	4,350	—
R. A. M. Hart	Ordinary	400	—	400	—
S. A. H. W. Heneage	Ordinary	400	—	400	—
K. B. M. J. Hennessy	Ordinary	37,615	—	44,615	—
A. T. R. Nicholson	Ordinary	400	—	400	—
W. P. Serocold	Ordinary	400	—	400	—

No Director had an interest in any shares in or debentures of any Subsidiary of the Company.

Mr. H. C. B. Berens retires by rotation under Article 105 but, being eligible, offers himself for re-election.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## DIRECTORS' REPORT

continued

Messrs. S. H. M. Bradley, S. A. H. W. Heneage, A. T. R. Nicholson and W. P. Serocold, having joined the Board since the last Annual General Meeting, retire under Article 113. Their re-election will be proposed at the Annual General Meeting.

### ACTIVITIES OF THE GROUP

The principal activities of the Group are the production of wines, the distillation of spirits, the merchandising, wholesaling and retailing of wines and spirits in the United Kingdom, the exporting of wines and spirits, and the production and distribution of wines and spirits in overseas countries by subsidiary companies or licensed producers and distributors. For a more detailed description see pages 30 & 31. There has been no significant change in the principal activities of the Group during the financial year.

### FIXED ASSETS

The significant increase in the fixed assets of the Group arises principally from the inclusion of properties, plant and equipment, to the value of over £1,250,000, on the acquisition of Brown and Pank Limited and its subsidiary companies from Watney Mann Limited. Expenditure of more than £750,000 in modernising and extending buildings and plant was incurred by the Canadian subsidiary and, in addition, expenditure on a lesser scale was incurred for the same purpose in Australia, South Africa and the United Kingdom.

### ISSUES OF SHARES ON 24th MAY, 1968

In accordance with the resolution passed at the Extraordinary General Meeting held on 24th May, 1968, the Authorised Share Capital was increased by 16,000,000 Ordinary Shares to 56,000,000 Ordinary Shares of 5s. each.

For the purpose of acquiring the whole of the issued share capital of Brown & Pank Limited 9,600,000 Ordinary Shares of 5s. each were allotted in consideration therefor. For the purpose of providing cash for the Group and the purchase price of the Seagram interest in United Vintners Limited, 5,782,551 Ordinary Shares of 5s. each were issued at a price of 22s. 6d. per share.

### DEBENTURE EXCHANGE SCHEME

A scheme of arrangement for the exchange of Gilbeys Limited Debenture Stocks consisting of:

- (1) £978,750 4½% Perpetual Debenture Stock

- (2) £400,000 4½% Second Debenture Stock 1970/75
  - (3) £1,000,000 6½% Second Debenture Stock 1981/86
- for:

- (1) £978,750 4½% Debenture Stock 2002/07
- (2) £400,000 4½% Debenture Stock 1970/75
- (3) £1,000,000 6½% Debenture Stock 1981/86

of the Company was completed on 25th July, 1967 in pursuance of the reorganisation of the financial structure of the Group.

### EMPLOYEES

The average number of persons including Directors employed by the Group in each week of the financial year in the United Kingdom was 2,764 and the gross remuneration paid or payable to such persons in respect of the year amounted to £2,788,000.

In addition, the average number of persons employed by Brown & Pank Limited, and its subsidiary companies in each week of the last 8 months of the financial year in the United Kingdom was 404, and the aggregate remuneration paid, or payable, to such persons amounted to £371,000.

### CONTRIBUTIONS FOR POLITICAL OR CHARITABLE PURPOSES

No donations or subscriptions were made by the Company or its subsidiaries during the financial year for political purposes. Donations and subscriptions amounting to £3,855 were given by the Company and its subsidiaries during the financial year for charitable purposes in the United Kingdom.

### EXPORTS

The value of the goods exported by the Group from the United Kingdom during the financial year amounted to £12,388,000. This figure cannot be related to Group sales because Exports from the United Kingdom are duty free, whereas sales within the United Kingdom and by overseas companies bear varying rates of duty. In addition £258,000 was earned in respect of royalties from overseas.

### SUBSTANTIAL INTERESTS IN THE COMPANY'S SHARES

Persons recorded in the respective share registers holding 10% or more in the share capital of the Company on 31st



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

May, 1968, excluding the Ordinary Shares provisionally allotted on 24th May previous, were as follows:

Watney Mann Investments Ltd.	9,599,997	Ordinary Shares
Hambros Bank (Nominees) Ltd.	8,334,556	Ordinary Shares
Wesleyan and General Trustees Ltd.	11,000	6% Cumulative Redeemable Preference Shares
Richemont Holdings Ltd.	11,000	6% Cumulative Redeemable Preference Shares

## CLOSE COMPANY PROVISIONS

The close company provisions of the Finance Act 1965 do not apply to the Company.

## AUDITORS

Messrs. Turquand, Youngs & Co. have signified their willingness to continue in office as Auditors of the Company.

## NEW ARTICLES OF ASSOCIATION

You will find included in the Notice of the Annual General Meeting a Resolution for the adoption of a new set of Articles of Association of the Company. The Articles of Association were originally adopted at the time when it was converted into a public company in 1952 and there have been numerous amendments since. Your Directors think it appropriate to bring the Articles of Association into line with modern form and you will find enclosed a separate explanatory statement as to the principal differences between the existing Articles of Association and those which are proposed to be adopted.

The new Articles of Association will contain a special Article under which Watney Mann Limited, so long as it and its subsidiaries hold not less than one quarter of the issued ordinary capital of your Company, is to be entitled to appoint three Directors of your Company. The Chairman mentioned this in his letter of 9th May, 1968 giving particulars of the acquisition of Brown & Pank Limited and the proposed rights issue and you will find the relevant Article printed in full in the explanatory statement.

A print of the proposed new Articles of Association will be available for inspection at the registered office of the Company

and at the offices of Slaughter and May, 35 Basinghall Street, London, E.C.2., during normal business hours on any weekday except Saturday, up to the date of the Annual General Meeting.

Your Directors recommend you to vote in favour of this Resolution.

By Order of the Board,  
F. E. LEE,  
*Secretary.*



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## CHAIRMAN'S STATEMENT

### THE ACCOUNTS

I am pleased to report another record year, both as to sales and profits.

The Balance Sheet this year reflects the Rights Issue made in May and the acquisition of Brown and Pank. The result of these two operations is that the Issued Ordinary Capital has been increased from £9,165,000 to £13,011,000 and the Consolidated Capital and Reserves from £18,134,000 to £35,577,000. The Goodwill figure has been increased by £5,835,000. The Balance Sheet has been materially strengthened by the Rights Issue and the liquid position shows a healthy improvement. Consolidated sales are shown at £81,067,000. Of this figure, £60,763,000 was contributed by IDV, as compared with £51,345,000 last year, and £20,304,000 by Brown and Pank for the eight months' period.

The Accounts, the Notes to the Accounts and the Directors' Report carry considerably more information this year to comply with the Companies Act, 1967.

A special item is that of payments to former Directors. As I told you at the Annual General Meeting last year, in order to facilitate our re-organisation plans, certain Directors left the parent Board and also the Boards of subsidiary companies of which they were Directors. The figure of £152,000 (net) reflects the global payment to those Directors. As you will see, this figure is charged below the line. As a result of these changes, the savings in a full year as a charge against profits will amount to some £60,000.

I should like to repeat the remarks I made at the Annual General Meeting last year and to thank again those Directors who have left us, both on your behalf and mine, for all the work they have done for the Company for varying periods of service and in their various capacities.

Another substantial change in the Balance Sheet is the reduction in the figure for 'Minority Interests' from £1,550,000 to £14,000. This is mainly due to the fact that during the year we bought back from Seagrams the 35 per cent interest that Company held in United Vintners. Reference to this operation and the reasons for it was made in my Statement last year and the final transaction and the method of settlement were also set out in the documents issued with the Rights Issue.

### PROFITS AND DIVIDENDS

Profits before tax of £4,706,000, after minority interests, for the year ended 31st May, 1968 for IDV, comfortably exceeded the forecast made in July, 1967 at the time of the Showerings' offer and also showed an improvement on the forecast of £4,350,000 at the time of the Rights Issue in May this year.

Profits of Brown and Pank, for the eight months from 1st October, 1967 to 31st May, 1968 attributable to IDV, also exceeded the forecast made at the time of the acquisition and amount to £1,009,000 before tax.

The Consolidated profit before tax less the minority interest of £4,000 for the year to 31st May, 1968 therefore amounted to £5,715,000. I think I should point out that due to the integration and rationalisation that is already under way, and from which many benefits will stem, we do not in future intend to show separately the profit contribution from Brown and Pank.

As announced at the time of the Rights Issue, it is proposed to pay total dividends for the year to 31st May, 1968 of 19.6 per cent. This is an increase of 0.6 per cent, being the maximum allowed under the Treasury's present policy of restraint. A 6 per cent interim dividend has already been paid and the Directors propose recommending a final dividend of 13.6 per cent payable in January, 1969. Both the interim and final dividends are payable on the Capital increased by the Rights Issue and the shares issued for the acquisition of Brown and Pank.

### APPOINTMENTS

Following the acquisition of Brown and Pank, Mr. W. P. Serocold and Mr. A. T. R. Nicholson joined the Board as Non-Executive Directors representing Watney Mann's interest in IDV.

Mr. S. A. H. W. Heneage, the Managing Director of Brown and Pank, joined the Board of IDV as an Executive Director and has entered into a service agreement with IDV.

Mr. S. H. M. Bradley, who has been with the Group since 1953 and in charge of production and distribution at Harlow since January, 1963, was appointed to the Board and has entered into a service agreement with the Company as an Executive Director. You will be asked to confirm these various appointments at the Annual General Meeting.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## ACQUISITIONS

My letter to you of 9th May, 1968 set out all the information regarding Brown and Pank and the basis of acquisition and the expectations of profits. I do not think I can usefully add to the information then given.

On 1st January, 1968, we acquired the whole of the share capital of Delaforce Sons and Ca. Vinhos S.A.R.L., the well-known port shippers of Oporto. The purchase price amounted to the equivalent of £236,000 and the funds for the acquisition were raised locally. Our subsidiary company in Oporto, Croft, has worked closely with Delaforce for many years. Delaforce is strong in certain Continental markets, particularly Germany where sales of port have shown good expansion. We believe that the coming together of the two companies is logical, bringing increased profitability and will give us a bigger share of the expanding European market.

## RE-ORGANISATION

Our overall re-organisation plans, to which I made reference last year, are now virtually completed and the new management structure becomes fully operative on 1st January, 1969. Much of the re-organisation had to be held back pending the finalisation of the negotiations for the purchase of Brown and Pank, because to a large extent, as I told you last year, the re-organisation was planned to strengthen the home trade and obtain a better return on assets employed. The introduction of a new home trade element of the size and scope of Brown and Pank has obviously influenced some of the details of our original thinking, but not our basic concept of management by function within a divisional structure.

## BLYTHSWOOD DEVELOPMENT

To meet the expanding market for IDV's Scotch Whisky brands—J. & B. Rare, Gilbeys Spey Royal and Catto's Old Scottish Highland—IDV has announced plans to build at Blythswood, near Renfrew, Glasgow, a £2½ million warehousing/blending project. This complex will consist of a process building, five whisky maturing warehouses, each capable of holding nearly 4 million proof gallons and an administration building. A coopeage will also be incorporated, equipped to undertake all the necessary repairs involved in a turnover of more than 100,000 casks a year.

Some of the buildings will be available for occupation in August, 1969 and the project will become fully operational by 1971. Approximately 70 staff will be employed at Blythswood.

In conjunction with the whisky complex, IDV will operate its own fleet of 5,000 gallon road tankers, which will collect new whisky from distilleries for filling into cask at Blythswood.

After maturing, the whisky will be blended in the process building, which will house six blending vats, each with a 25,000 gallon capacity. Subsequent distribution to bottling warehouses at Dumbarton and Harlow will also be carried out by IDV's tanker fleet.

This project is the result of two years detailed study and, over the long-term, is likely to yield substantial benefits, not only practical but in profit contribution to IDV's Scotch Whisky earnings.

## YORK GATE WEST

The twin building to IDV's Headquarters, on the West side of York Gate, has recently been acquired by IDV on a long lease. The increasing size and scope of IDV's business in the U.K. logically requires a higher concentration of personnel at our central location, in particular for Group marketing and brand planning and to establish the core of a full scale Purchasing Division to become effective with the 1969 management organisation.

## TRADING INFORMATION

As in previous years, I set out below a short summary of how the main components of the Group have fared in the year under review.

## EXPORTS AND ROYALTIES

Sales of J. & B. Rare Scotch Whisky, a very major contributor to the Group profits, have again expanded this year with an increase of 9.5 per cent in sales to the U.S.A. and an increase of 42.6 per cent in other world markets. Margins on shipments to the U.S.A. and the majority of other markets have also materially improved due to devaluation because we were able, in line with other exporters of Scotch Whisky, to increase our selling price. Sales in all principal areas in the U.S.A. have been very satisfactory and Mr. Abe Rosenberg, the Chief Executive of the Paddington Corporation, which markets J. & B. Rare in the U.S.A., recently expressed the view, when in London, that the sales pattern and growth of the brand were highly encouraging.

Twiss & Brownings & Hallowes (Export) Ltd., has maintained its profits in spite of continued political and economic uncertainties in many of its export markets. Whilst the



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## CHAIRMAN'S STATEMENT continued

demand for Brandy in the markets of S.E. Asia is still on the increase, this has attracted fierce and ever increasing competition. In spite of this, Hennessy Cognac has maintained its leading position and future sales are viewed with confidence. Sales of Heidsieck 'Dry Monopole' Champagne have been held at last year's level, and it is anticipated that these will be maintained into the future.

The recently formed Gin Licensee Division, which looks after licensing arrangements for Gilbey's Gin in some twenty-five countries, has again had a good year and royalties from most sources have shown a further increase—in particular from the U.S.A. where National Distillers operate the licence.

## OVERSEAS COMPANIES

Our Subsidiary Companies overseas are collectively a great strength to the Group, and as the main ones are established in countries with great economic futures, we can I feel certain, look to these sources in the future for further expansion of profits. However, from time to time, local situations can arise that may temporarily retard expansion.

As the majority of the countries where these Companies are operating did not devalue, we have had the benefit this year of increased sterling profits.

Collectively, these Companies have turned in better results and have exceeded their forecasts. Gilbey Canada Ltd., the biggest contributor, again showed further growth but in the latter part of the year, the higher domestic prices for all classes of liquor due to an increase in Federal Excise Duty, appear to be having a temporary adverse affect on consumption. It is possible therefore that in the immediate future, we cannot expect the same pattern of expanding profits as we have seen in the last few years. However, experience has shown that our Canadian management does not just lie down and accept difficult conditions and therefore they have been looking for additional fields to conquer. In particular, they have forceful plans to export to the U.S.A., and to this end a contract has been signed with Heublein Inc. for the production and sale on a royalty basis for a twenty-five year period of Gilbey's Black Velvet Canadian Whisky.

W. & A. Gilbey (S.A.) (Pty.) Ltd., in South Africa, is now growing rapidly. Sales of all our established brands have improved over the last year, particularly Smirnoff Vodka. Significant advances have been made in the non-European market and our sales force has been suitably increased to develop this expanding market. Gilbey's Gin remains the leading brand in the Republic.

I told you last year that our Australian subsidiary, Gilbeys Australia Pty. Ltd., was going through a period of new management and planning. A great deal has been done in the last twelve months by the new Managing Director, but many of the steps that have been taken and the new thinking in both production and marketing must take longer before they will be translated into increased profits.

The traditional business of Gilbeys New Zealand Ltd., has been mainly on the spirit side of the trade. The 50 per cent Duty increase was a body blow to the whole industry from which little recovery has yet emerged. Fortunately we have a good foothold in the growing wine industry and this we have already taken steps to expand.

Gilbeys of Ireland has had a better year and it would appear as though this trend should continue. I am certain that we have made a right decision to embark on the necessary capital expenditure on rehousing the organisation in new premises in the Naas Road area of Dublin with modern warehouse and bottling facilities.

Croft of Oporto has produced a higher profit and overall port shipments were up on last year. Due to the predominance of the Company's business in the United Kingdom, Croft's profits fluctuate considerably, depending on whether a vintage wine is declared and shipped, virtually all of such wine going to this country.

Along with most other shippers, Croft and Delaforce have now declared 1966 as a vintage year and sales will accordingly be taking place in the current year. This, together with the benefits which will start to accrue from the Delaforce acquisition, should result in higher profits from Croft and Delaforce in this current year.

## HOME TRADE

Gilbey Twiss Ltd., our agency and brand sales company, showed increased sales during the year, particularly in the main promoted lines. This was despite the cost effects of devaluation on many of them and a further rise in Excise Duty on all products in March, 1968. The full effects of these cost increases are more likely to be felt in the financial year 1968/69 as in the months preceding the Budget there was considerable trade and consumer buying in line with the national pattern.

Significant advances were made by J. & B. Rare Scotch Whisky, Hennessy Cognac, Triple Crown Port and Croft Original Sherry. In a highly competitive market Smirnoff



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increased its sales and remains the premier, and most advertised, Vodka.

During the year we strengthened our product marketing team, which now operates as a Group service to all IDV sales companies in the United Kingdom. This move is proving of the greatest value (with the inclusion of the former Watney Mann Companies, Brown and Pank Ltd., and Brown, Gore and Welch Ltd.), and will help to ensure the maximisation of merchandising and sales effort throughout IDV for the leading Group products.

The first fruits of this co-ordinated planning came with the national launch in May, 1968 of our new table wine brand, Docura. This unique sweet red wine, which was successfully test marketed in East Anglia over Christmas, 1967, is meeting with an encouraging reception from customers in the trade, and equally with the wine drinking public.

The re-organisation of the shop Companies into one Company under the name of Peter Dominic Ltd., to which I referred last year, has now been in operation for a full year and I am glad to be able to tell you that the unified management has contributed to an improvement in the level of profits. Nevertheless, a large amount of price cutting which is prevalent in the retail wine and spirit trade, makes this a difficult sector.

The Peter Dominic style of marketing has been successful in improving the wine sales and in particular, in providing the public with the good lower and middle price wines for which there is a great and growing demand. Sales of our Carafino brands of table wines have again shown a large increase. The Company is forecasting a further increase in profits during the current year and I look forward to a steady growth in its contribution to our profits. The supplement to this year's Report and Accounts, features Peter Dominic's new look in the high street and for your convenience and support, lists the addresses of its leading shops.

## PROSPECTS

It is pleasing to be able to record that the profits before tax for IDV on its own, exceeded the forecast made in May this year at the time of the Rights Issue by £356,000. Most Companies in the Group met their targets and some did marginally better. However, the main increase was due to considerations that could not be taken into account when we made our forecast. Due to the likely strike of the longshoremen on the Eastern Seaboard of the U.S.A., timed for this Autumn, in line with other exporters of Scotch Whisky to the U.S.A.,

we started shipping earlier than normal to ensure that supplies were in the hands of distributors in time for the all important Christmas trade and were not held up by the strike. Also as a result of this, the first period's profits for the current year are likely to be better proportionately than they would be otherwise, and at the expense of the second period.

However, in spite of these advance shipments, with sales still rising and margins improving, I would expect the profits from J. & B. Rare Scotch Whisky for the current year to exceed last year's record figure.

We have now made a very substantial addition to our trading activities at home by the acquisition of Brown and Pank. To get the maximum benefit from this and the best additional earnings per share may well take some time, but we are confident that the acquisition of Brown and Pank and the resulting association with Watney Mann is quite definitely the right step for us to have taken in helping to strengthen our home trade.

Although it has to be recognised that we operate in a trade that can be subject to influences beyond the control of management such as increased duties, import restrictions, general national economic trends, etc., I feel confident that IDV has all the ingredients that make for a successful business, thanks to the loyalty and efforts of executives and staffs at home and overseas and will reward shareholders handsomely in the years to come, as it has in the past.

As I told you last year at the time of the approach by Showerings, we made profit forecasts for 1968, 1969 and 1970. These forecasts were made before devaluation. The forecast for 1968, made at the time of the Rights Issue, after taking into account devaluation, has been duly met. I anticipate that the consolidated profits for 1969 should substantially exceed those for the past year.

H. C. B. BERENS



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## COMPARISON OF ANNUAL CONSOLIDATED SALES AND PROFITS AND SHARE CAPITAL, RESERVES AND INTEREST OF MEMBERS

Year to 31st May	1963	1964	1965	1966	1967	1968
	£	£	£	£	£	£
Sales . . . . .	28,584,000	33,975,000	41,778,000	46,755,000	51,345,000	81,067,000
Trading and Investment Income . . . . .	3,274,000	3,084,000	4,202,000	4,205,000	4,911,000	7,862,000
Less Debenture and Loan Interest . . . . .	170,000	185,000	167,000	206,000	383,000	459,000
Bank Interest and Acceptance Credit Charges . . . . .	154,000	271,000	593,000	458,000	408,000	719,000
Depreciation . . . . .	290,000	377,000	479,000	504,000	528,000	648,000
Leasing and Hire of Plant and Machinery (1963-66 not available) . . . . .	—	—	—	—	54,000	123,000
Directors' Remuneration . . . . .	227,000	209,000	231,000	235,000	257,000	194,000
	841,000	1,042,000	1,470,000	1,403,000	1,630,000	2,143,000
Profit before Taxation . . . . .	2,433,000	2,042,000	2,732,000	2,802,000	3,281,000	5,719,000
Less Taxation . . . . .	1,230,000	1,007,000	1,119,000	1,197,000	1,352,000	2,508,000
Minority Interests . . . . .	21,000	4,000	87,000	33,000	25,000	4,000
Profit attributable to International Distillers and Vintners Limited . . . . .	1,224,000	1,039,000	1,526,000	1,572,000	1,904,000	3,207,000
Less Preference Dividends Gross (Net 1963, 1964 and 1965) . . . . .	27,000	30,000	30,000	49,000	49,000	49,000
Profit earned for Ordinary Shareholders . . . . .	1,197,000	1,009,000	1,496,000	1,523,000	1,855,000	3,158,000
Ordinary Dividend Net . . . . .	678,000	678,000	700,000	—	—	—
Ordinary Dividend Gross . . . . .	—	—	—	1,191,000	1,741,000	2,550,000
Rate of Dividend . . . . .	13%	13%	13%	13%	19%	19.6%
<i>At 31st May</i>						
Issued Ordinary Share Capital . . . . .	8,511,000	8,511,000	9,165,000	9,165,000	9,165,000	13,011,000
Issued Preference Share Capital . . . . .	811,000	811,000	811,000	811,000	811,000	811,000
Reserves and Unappropriated Profit . . . . .	6,884,000	7,477,000	7,728,000	8,014,000	8,158,000	21,755,000
Interest of Members . . . . .	16,206,000	16,799,000	17,704,000	17,990,000	18,134,000	35,577,000



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## COMPARISON OF CONSOLIDATED BALANCE SHEETS

At 31st May	1963	1964	1965	1966	1967	1968
	£	£	£	£	£	£
Fixed Assets . . . . .	6,019,000	7,518,000	*10,143,000	10,337,000	10,959,000	12,860,000
†Net Current Assets . . . . .	8,245,000	7,886,000	8,043,000	10,900,000	10,419,000	19,393,000
	<u>14,264,000</u>	<u>15,404,000</u>	<u>18,186,000</u>	<u>21,237,000</u>	<u>21,378,000</u>	<u>32,253,000</u>
Less Deferred Liabilities and Provisions . . . . .	1,089,000	998,000	1,137,000	971,000	1,104,000	2,057,000
	<u>13,175,000</u>	<u>14,406,000</u>	<u>17,049,000</u>	<u>20,266,000</u>	<u>20,274,000</u>	<u>30,196,000</u>
Less Loan Capital . . . . .	3,265,000	3,181,000	3,156,000	6,121,000	5,995,000	5,845,000
	<u>9,910,000</u>	<u>11,225,000</u>	<u>13,893,000</u>	<u>14,145,000</u>	<u>14,279,000</u>	<u>24,351,000</u>
Net Tangible Assets . . . . .	9,910,000	11,225,000	13,893,000	14,145,000	14,279,000	24,351,000
Goodwill and Cost of Control of Subsidiaries . . . . .	6,400,000	7,104,000	*5,425,000	5,406,000	5,405,000	11,240,000
	<u>16,310,000</u>	<u>18,329,000</u>	<u>19,318,000</u>	<u>19,551,000</u>	<u>19,684,000</u>	<u>35,591,000</u>
Less Interest of outside Shareholders in Subsidiaries . . . . .	104,000	1,530,000	1,614,000	1,561,000	1,550,000	14,000
	<u>16,206,000</u>	<u>16,799,000</u>	<u>17,704,000</u>	<u>17,990,000</u>	<u>18,134,000</u>	<u>35,577,000</u>
Net Assets . . . . .	16,206,000	16,799,000	17,704,000	17,990,000	18,134,000	35,577,000
†Includes:						
Stocks . . . . .	12,442,000	14,643,000	14,531,000	16,374,000	17,956,000	23,530,000
Bank Borrowings and Acceptance Credits . . . . .	<u>3,351,000</u>	<u>6,010,000</u>	<u>6,143,000</u>	<u>4,770,000</u>	<u>5,716,000</u>	<u>5,547,000</u>

\*Freehold properties were revalued in 1965 and the surplus amounting to £1,725,000 was applied in reduction of Goodwill and Cost of Control of Subsidiary Companies.

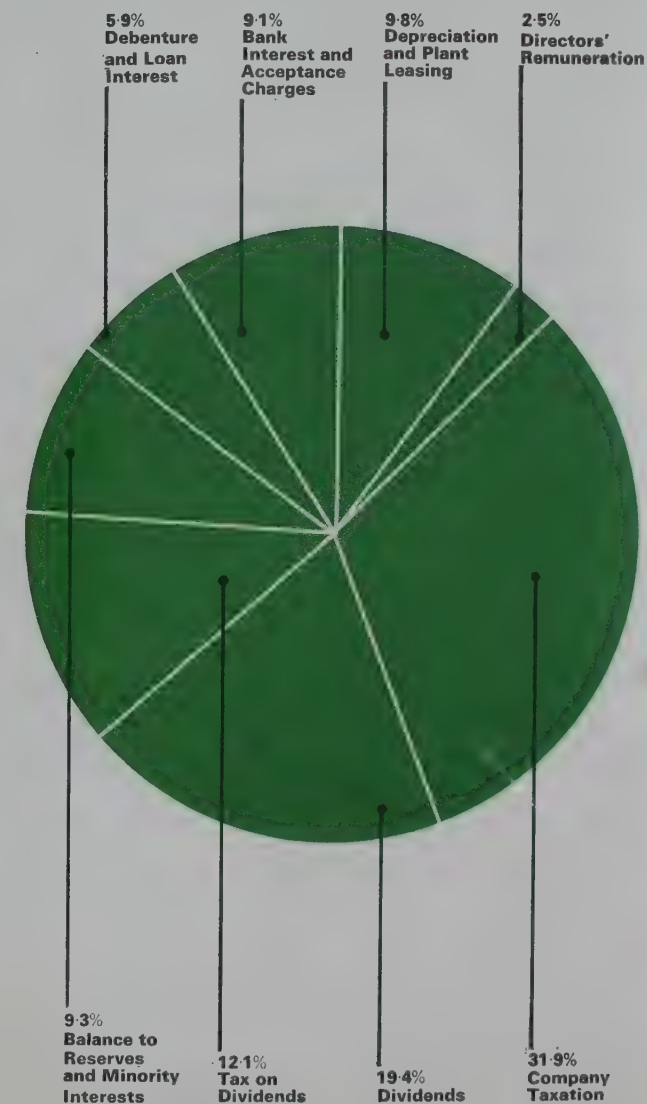


# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## WHERE THE TRADING PROFIT WENT

Year to 31st May, 1968

	£	£	%	1967 %
<b>TRADING AND INVESTMENT INCOME</b>		<b><u>7,862,000</u></b>	<b><u>100·0</u></b>	<b><u>100·0</u></b>
Debenture and Loan Interest . . . . .		459,000	5·9	7·8
Bank Interest and Acceptance Charges . . . . .		719,000	9·1	8·3
Depreciation and Plant Leasing . . . . .		771,000	9·8	11·9
Directors' Remuneration . . . . .		194,000	2·5	5·2
Company Taxation . . . . .		2,508,000	31·9	27·5
Dividends . . . . .	1,527,000		19·4	21·4
Taxation thereon . . . . .	954,000		12·1	13·9
		<u>2,481,000</u>		
Balance to Reserves and Minority Interest . . . . .		730,000	9·3	4·0
		<u>7,862,000</u>	<u>100·0</u>	<u>100·0</u>



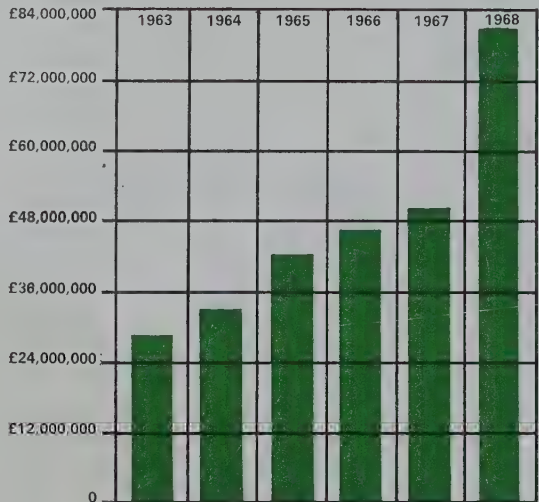


# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

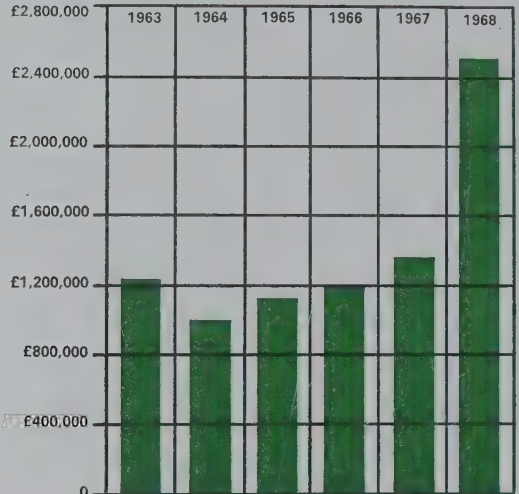
## GRAPHS SHOWING GROUP SALES, PROFITS AND TAXATION

Year to 31st May

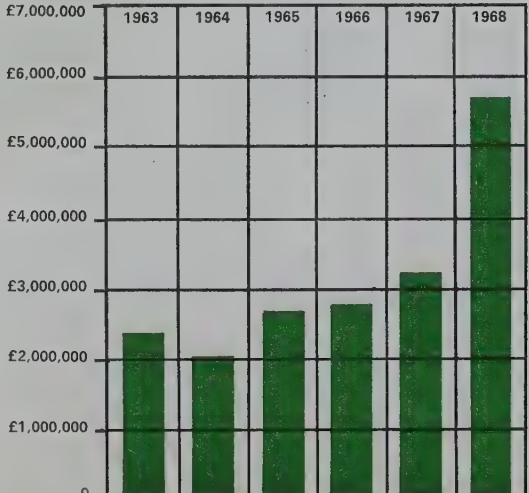
**Group  
Sales**



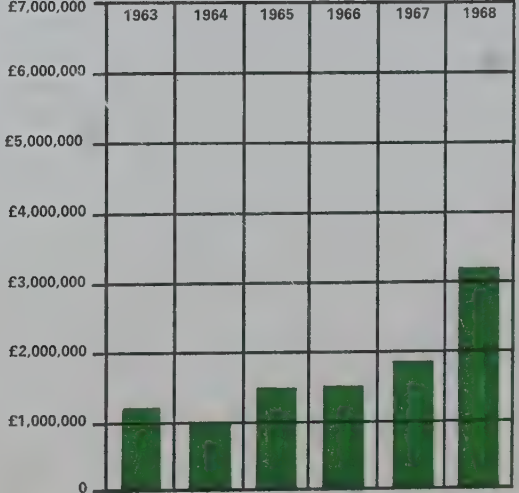
**Taxation**



**Profit  
before  
Taxation**



**Profit  
after  
Taxation**





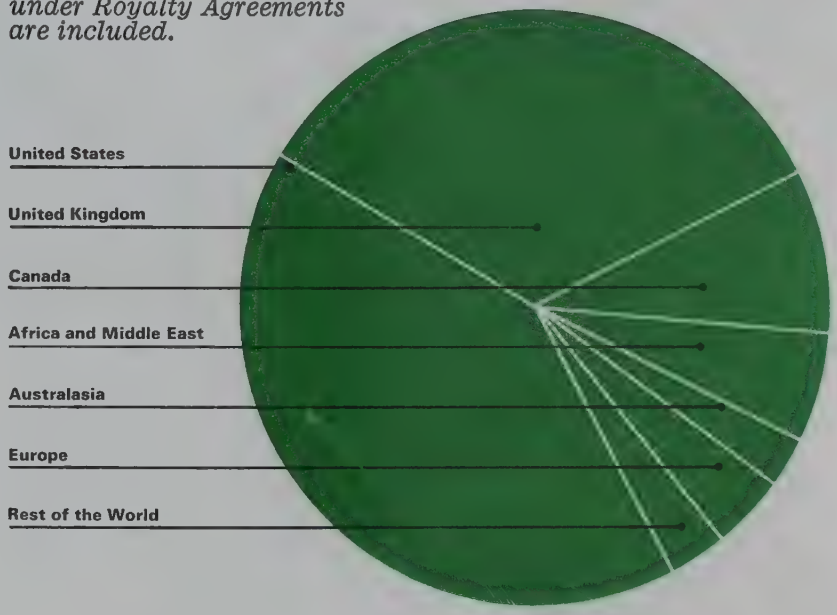
# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

**GEOGRAPHICAL ANALYSIS  
OF GROUP TRADING  
OPERATIONS  
EXPRESSED IN PERCENTAGES  
OF TOTAL CASE SALES**

Year to 31st May, 1968

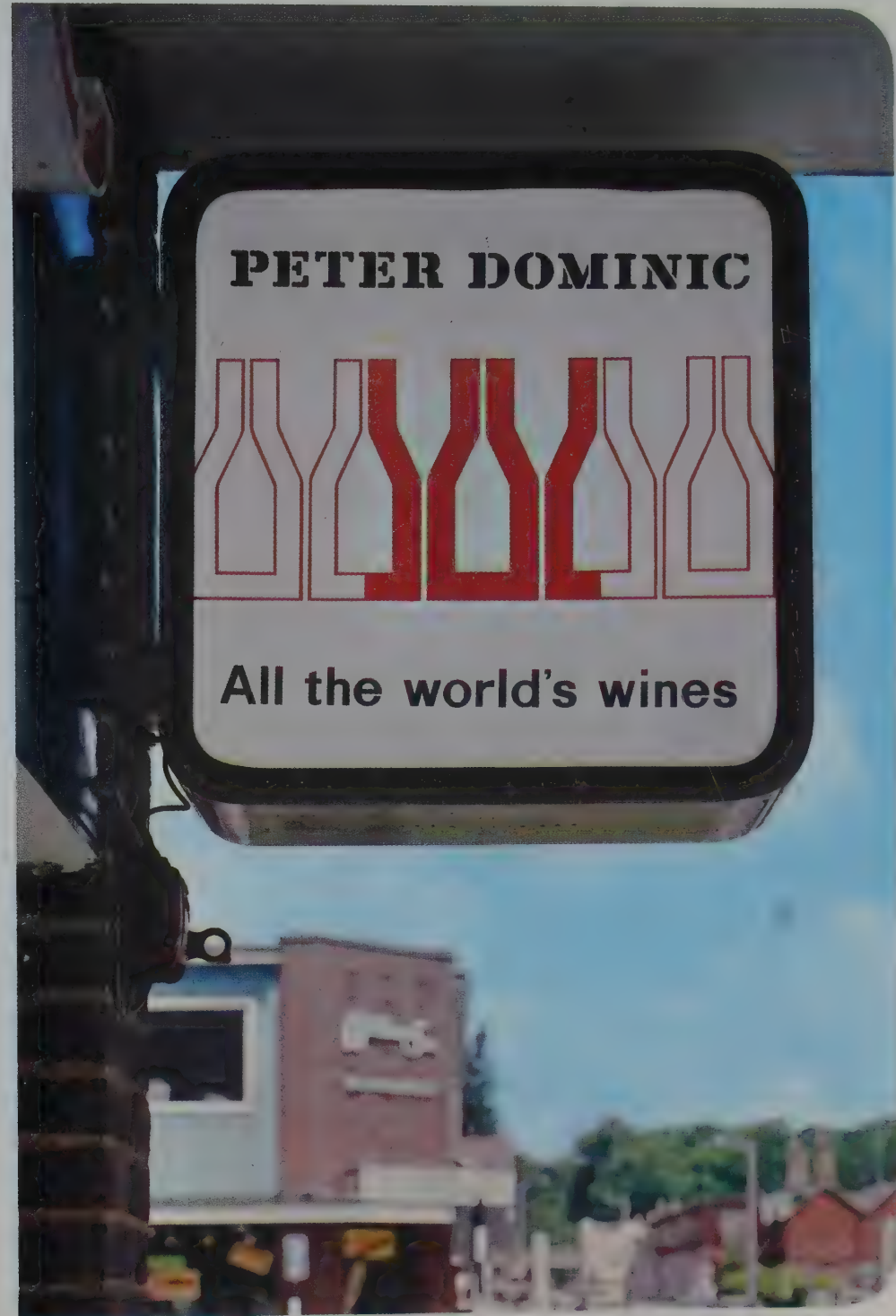
Territory					per cent
UNITED STATES OF AMERICA . . . . .					41.9
UNITED KINGDOM . . . . .					33.9
CANADA . . . . .					9.0
AFRICA AND THE MIDDLE EAST . . . . .					5.5
AUSTRALASIA . . . . .					2.7
EUROPE . . . . .					3.9
REST OF THE WORLD . . . . .					3.1
					<hr/> 100.0 <hr/>

*Sales by Third Parties  
under Royalty Agreements  
are included.*





**the new  
IDV  
image in  
the  
high street**





# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## Peter Dominic Limited

Peter Dominic is the national retail arm of IDV and is now playing an increasingly important role in your company's operations in the home market. Peter Dominic operates over 300 retail outlets and is now recognised as one of the principal wine and spirit multiples in the U.K. Although not owning the largest number of shops, Peter Dominic has established an ascendancy in its field because of the style and quality of service to its customers and the many features unique to it.

Every Peter Dominic shop stocks over 1,000 items of drink. These include a choice of over 50 low priced 'everyday' wines as well as an impressive collection of classic vintage wines—74 Clarets, 77 Burgundies, 64 fine Hocks and of course vintage Port. There will also be many wines from lesser known areas in Europe and even wines from Asia, Africa and South America. The Peter Dominic slogan 'All the World's Wines' is no empty claim and a choice of wines of this extent and quality cannot normally be found outside the West End of London.

The manager of a Peter Dominic shop will be educated, personable and 'wine-literate'; he knows his business and his customers' needs, and he takes pleasure in taking care of them. In these aspects of its business, Peter Dominic is bringing West End standards to the country at large. This is one part of the Peter Dominic philosophy—the other derives from the belief that wine can be enjoyed (and afforded) by everyone. This finds its expression in the siting of shops in busy High Streets giving convenient access to the greatest possible number of customers, in gaily dressed windows, bright lighting, attractive displays and above all in really competitive pricing. This unique combination of high standards with popular appeal is the core of Dominic's trading policy and has enabled Peter Dominic to prosper and grow in the very competitive conditions that have followed the end of Resale Price Maintenance.

## History

When IDV was formed in 1962 a decision was taken to increase the company's share of the fast growing market for table wines by expanding the existing retail business. The aim was to create a multiple company of a quality which could win public recognition as *the* wine merchants—leaders in their field in the way that Marks & Spencer, Boots or W. H. Smith are in theirs.

At this time IDV retail interests were represented chiefly by the 110 off-licences of T. Foster & Company (Wines and Spirits) Limited which had been acquired by W. & A. Gilbey Limited in 1928. The majority of these shops were in the Greater London area with an uneven scattering in other parts of the country. The first step in realising the ultimate objective was to increase territorial coverage and this was accomplished by the acquisition of a number of off-licence groups, most notably the original Peter Dominic chain of 21 shops which had been founded by the late Mr. Paul Dauthieu. The acquisition programme was completed by 1964 and the total of IDV shops was then 354. All assets were vested in a holding company, United Vintners Limited, but the various groups continued under separate management and maintained their own trading names and practices.

The next stage was the integration of these groups into a single trading company under central management and a rationalisation of product lists to enable economies of scale to be realised from purchasing and other activities. This process, begun in 1965, was completed by the end of 1966 and the number of trading names had been reduced from 27 to 4—these being Peter Dominic, Fosters, Hunter & Oliver and in Scotland, Camerons.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



**Camberley**



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



## **Peter Dominic at Camberley**

All new shops benefit from standard detailed racking, which is completely adjustable. The basic components are ply divisions and veneered blockboard shelves edged with beech—shelving carries its own adjustable ticketing system for pricing.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## Fosters Wine Merchants at Halifax

Shop interiors are well lit, using a mixture of colour matching fluorescent tubes and tungsten spotlights. It is important that merchandise is as easily identified at night, particularly when the shop is closed, as during the day. Every 'window shopper' is a potential customer.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

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## Unification

On 1st January 1967 the new unified and centralised management began operating. The name Peter Dominic was chosen as most suitable for the whole group because it was the name best known to the public and it sounded attractive and slightly continental and, therefore, had a 'winey' association. Above all it exemplified the style and standard of trading to which most of the shops would eventually conform. At this time a firm plan was made for the future development of IDV shops.

The plan envisages the extension of the Peter Dominic trading name and style to 110 of our existing shops, covering most of the principal shopping centres in the U.K. For the present the Fosters name will be retained for shops in suburban and neighbourhood centres. Shops in East Anglia will continue to trade as Hunter & Oliver and those in Scotland as Camerons—in both cases because of the strong local identification of these names with the areas they serve.

Considerable progress has been made with the development plan. The number of named Peter Dominic shops has now risen to 58 (from 21); nearly half of all shops have been refitted in modern style since 1963, and a further 30 shops will be refitted during the present financial year.

## Corporate Identity

Once the decision had been made to transform the IDV shops into a national chain, it became important to make them readily recognisable by the public. With this object in view, and also in the belief that good design is good business, the Conran Design

Group was instructed to prepare a corporate identity programme for Peter Dominic and other IDV shops. The programme was approved by the Board and began to be implemented in 1966 by the use of standard fascia lettering, and in interior shop design. It was soon extended to stationery, wine cartons, press advertisements and all aspects of the Peter Dominic presence.

## Performance

The inception of a single trading company with central management, created many opportunities for economy and improved efficiency. These have been energetically exploited and since January 1967 Peter Dominic's performance has shown marked improvement in sales, net profit, market share and return on capital employed.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



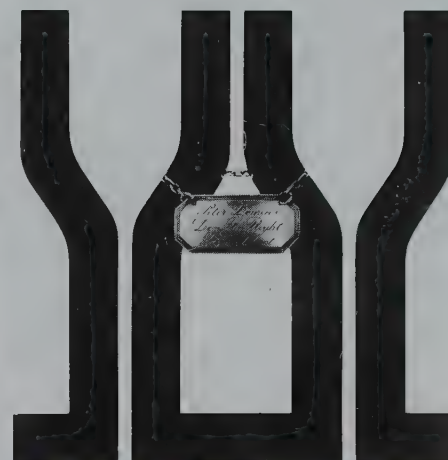
**Halifax**



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

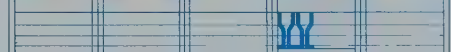
## A Sample Broadsheet

Having established a house style to meet a wide variety of purposes, it is essential to provide the basic details of the design and colour.



Peter Dominic Limited

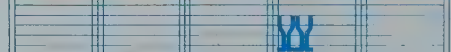
All the world's wines



Official order

Peter Dominic Limited

All the world's wines



Deliver to: Branch no: Delivery date: During hours: Any closing day:

Quantity	Size	Commodity	Description of goods	Notes and terms
Per	litre	code		
<p>This is an illustration of a letterhead with an order form below, to show the use of the stationary grid.</p> <p>Do not include from the names of the director, do not include information relating to invoice address, delivery address, and 'signed for' for example may appear either in place of the director's name or below the signature shown here, depending on the requirements of an individual form.</p> <p>Special form requirements can be accommodated, provided the layout is kept strictly within the limitations of the grid.</p>				

**Introduction:** This wall chart has been designed both to illustrate the components of the Group Visual Standards and as a source of reference to the various applications involved—ranging through stationary and packaging to vehicle liveries. The Visual Standards have been designed to protect the up to date outlook of the Group and are centered on the new symbol, which has been designed to create an overall link for the subsidiary companies. Accurate reproduction of the Visual Standards is essential and this wall chart summarizes the requirements. All those within the Group who are responsible for specifying design are asked to make full use of it and to refer any problems to Head Office, 100-102 Queensbury Road, Wembley, Middlesex.

**Colours:** The house colours play a large part in the Visual Standards. Both Peter Dominic and Fosters shop colours are retained and can be permitted to meet any requirements from letterheadings to vehicle liveries. Both Peter Dominic and Fosters share the red house colour while each retains an individual background colour—blue for Peter Dominic and green for Fosters. Code numbers for these colours are set out below and should be quoted as a reference at all times. For stationery printing requirements, the colours have been adjusted to compensate for the relatively small area of colour involved in comparison with shop facades and vehicles. It is essential to quote the correct printing ink code numbers at all times. If circumstances do not allow for

reference to the code numbers, colours which are a perfect visual match to the colour references shown must be supplied. The colours illustrated here, are taken from the printing ink specification, and should not be used as a guide to the matching of paint colours.

### Peter Dominic house colours

**Paint specification**  
Blue - BSC 0-013  
Red - BSC 0-005

**Printing ink specification**  
(letterpress)  
Blue - Aut & Wicorg CP 7-11  
Red - Mander Kidd Brilliant red lake C 368

**Printing ink specification**  
(lithography)  
Red - Rotaprint Intense red RF 450  
Blue - Rotaprint Oriental blue RF 8011



### Fosters house colours

**Paint specification**  
Green - BSC 6-074  
Red - BSC 0-005

**Printing ink specification**  
(letterpress)  
Green - Coates Bright green P 46316  
Red - Mander Kidd Brilliant red lake C 368

**Printing ink specification**  
(lithography)  
Green - Coates Bright green P 46316  
Red - Rotaprint Intense red RF 450



Peter Dominic livery applied to bulk transport vehicles. For a detailed specification see Conran drawing No 4220 A



Peter Dominic livery applied to local delivery vehicles. For a detailed specification see Conran drawing No 4220 B

**Stationery grid:** It is most important that a coherence of layout throughout the stationary range is maintained and that the positioning of the symbol, name, style and other wording is consistent. For this reason an accurate stationary grid has been designed. This grid has been prepared for use with the ISO (International) paper system which has been adopted by all the companies within the Peter Dominic Group. The ISO system is used throughout all stationary requirements with the exception of certain forms, till dockets etc. A detailed specification of the grid, incorporating the various ISO paper sizes, is illustrated and this should be used as a reference in conjunction with the notes.

1. The grid is based on five equal vertical divisions. Where rules are required on forms, they are positioned, centred within the 1 cm gutters which separate the sections of the grid. These rules should be kept to a fine line where they are used to define minor information. The border or surround which is a feature of the stationary range, remains at a constant width of 4 points.

2. Actual company differentiation is achieved by printing form information in the appropriate house colour: blue for Peter Dominic, green for Fosters.

3. The phrase 'All the world's wines' is used throughout the Peter Dominic range of stationary printed in blue. The phrase 'Wine Merchants' appears on all Fosters stationary, printed in green.

4. All headings retain a constant size of 20 corps and are set in Neue Haas Grotesque Medium upper and lower case.

5. Text setting employs a constant size of 8 corps Neue Haas Grotesque Light upper and lower case, except left unjustified right with mid or 4 unit spacing between words.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

**Symbol.** The stencil typeface especially designed for the Group is used above for company names on shop fronts and transport. For all other requirements the typeface Neue Haas Grotesque Medium is specified. This face is highly legible and readily available from most type-foundries. For stationary applications, Neue Haas Grotesque will be used throughout. The two typefaces are detailed below together with specifications for their various applications. These specifications should be adhered to at all times.

**Symbol.** The Peter Dominic symbol is visual shorthand for the Group: it is designed to indicate the nature of the Group's business and with use will become increasingly recognised. The symbol is to be used for all sign requirements, vehicle liveries, stationary and packaging. It may be used either alone or in multiple combinations where applicable. As the symbol plays an important part in the projection of the Group, it is essential that it should be reproduced accurately wherever it appears. For this reason a detailed aligning grid has been prepared. The grid is based on the lowest common denominator of squares to enable accurate reproduction. It should be noted that the left and right base strokes of the 'Glasses' extend one unit beyond the width of the symbol. This

has been done to maintain a balance between the base and the upper part of the symbol.

**Peter Dominic hand drawn name style.** For use on shops, vehicles and signs.

**PETER DOMINIC**

**Peter Dominic secondary name style.** Neue Haas Grotesque Medium. For use on stationary and packaging.

**Peter Dominic**

**Peter Dominic complementary wording.** Neue Haas Grotesque Medium. For use in conjunction with the Peter Dominic name style.

**All the world's wines**

**Fosters hand drawn name style.** For use on shops, vehicles and signs.

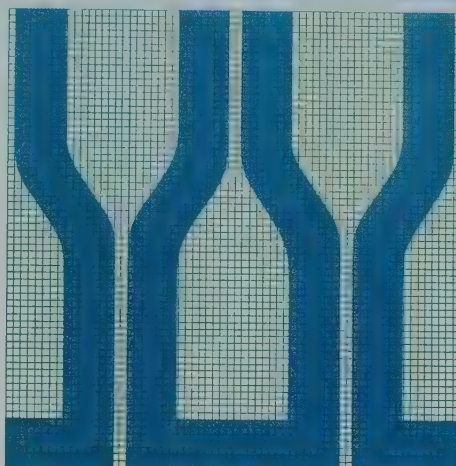
**FOSTERS**

**Fosters secondary name style.** Neue Haas Grotesque Medium. For use on stationary and packaging.

**Fosters**

**Fosters complementary wording.** Neue Haas Grotesque Medium. For use in conjunction with the Fosters name style.

**Wine Merchants**



**Vehicle application.** The Peter Dominic blue is to be used as an overall colour on all vehicles to form a background for lettering in red and white. The company name Peter Dom. n.c. appears on the side and rear of all vehicles and colour. The phrase 'All the world's wines' appears on the sides and rear of all vehicles. The Peter Dominic logo is to be painted in white on each side of the vehicle. The symbol should be the red house colour. The symbol should also be reproduced on the front of the vehicle in a size in line with the

**12 bottle carton.** The symbol is repeated as a pattern surrounding the carton on all four sides. Multiples of the symbol may be used in other applications as required as it has been designed specifically for reproduction in this form.

**Signs.** A shop signing system has been prepared for use by all companies within the Peter Dominic Group. While each company retains its own individual name, style, and colour, overall unity is achieved through use of the symbol which is a constant feature throughout. Each sign consists of the appropriate company name, the symbol in the company's color and a qualifying phrase e.g. 'All the world's wines' for Peter Dominic and 'Wine Merchants' for Fosters.

All signs are to have a border with curved corners, thus relating the signs to interior graphics and stationary ranges which also employ this feature.

The lifeblood of a multiple retail chain rests in its ability to communicate with its customers—the general public. A consistent 'easy-to-recognise' shop design policy is a marketing essential. IDV has initiated a long term programme for the Peter Dominic Group to this end. The design broadsheet illustrated represents the core of this new approach.

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



## **Peter Dominic at Bristol**

To supply the increasing demand for wine from the wood, some of the larger shops have been fitted with special units of the type illustrated, similar to those in French supermarkets.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



## **A Range of Squashes by Peter Dominic**

Easy to read labels have recently been introduced for the fruit squash range. These are the first newly designed labels to incorporate the new house style.

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## PRINCIPAL BRANCHES BY COUNTIES

Trunk Dialling Code to be used only when telephoning from outside local area

### ENGLAND

#### Bedfordshire

BEDFORD	Fosters Wine Merchants, 76 High Street	Bedford 52313
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#### Berkshire

NEWBURY	Peter Dominic, 132 Bartholomew Street	Newbury 692
READING	Peter Dominic, 126 Friar Street	Reading 51717

#### Buckinghamshire

BLETCHLEY	Peter Dominic, 112 Queensway	Bletchley- 2333
HIGH WYCOMBE	Peter Dominic, 11/15 Frogmoor	High Wycombe 27461

#### Cambridgeshire

CAMBRIDGE	Peter Dominic, 18 Market Hill	Cambridge 52577
ELY	Hunter & Oliver, Minster Place	Ely 2172

#### Cheshire

ALTRINCHAM	Peter Dominic, 36 Railway Street	061-928 6054
BRAMHALL	Fosters Wine Merchants, 27 Woodford Road	061-439 4929
CHEADLE	Fosters Wine Merchants, 66 High Street	061-428 2474
CHESTER	Peter Dominic, 46 Eastgate Street	Chester 26076
KNUTSFORD	Peter Dominic, 8 Canute Place	Knutsford 2192
PRESTBURY	Fosters Wine Merchants, Unicorn House, The Village	Prestbury 89674
NANTWICH	Fosters Wine Merchants, 5 High Street	Nantwich 64569
POYNTON	Fosters Wine Merchants, 7 London Road South	Poynton 2358
WILMSLOW	Fosters Wine Merchants, 22 Grove Street	Wilmslow 23346

#### Devon

BARNSTAPLE	Peter Dominic, 30 High Street	Barnstable 2201/2
EXETER	Peter Dominic, 193 High Street	Exeter 56542
PLYMOUTH	Peter Dominic, 86 Cornwall Street	Plymouth 64748
SIDMOUTH	Peter Dominic, 4 Fore Street	Sidmouth 2831

#### Dorset

DORCHESTER	Peter Dominic, 2 Trinity Street	Dorchester 166
PARKSTONE	Peter Dominic, 115 Penn Hill Avenue,	Parkstone 783
POOLE	Peter Dominic, 67 High Street	Poole 4121

#### Co. Durham

DURHAM	Fosters Wine Merchants, 54a North Road	Durham 61475
STOCKTON-ON-TEES	Fosters Wine Merchants, 42 High Street	Stockton-on- Tees 63232

#### Essex

EPPING	Fosters Wine Merchants, 192 High Street	01-375 2105
HARLOW	Fosters Wine Merchants, 6 West Gate, The High	Harlow 26391
SAFFRON WALDEN	Fosters Wine Merchants, 20 King Street	Saffron Walden 2227
SOUTHEND-ON-SEA	Fosters Wine Merchants, 52b High Street	Southend-on- Sea 68980

#### Gloucestershire

BRISTOL	Peter Dominic, 32 Merchant Street	Bristol 20291
CHELTENHAM	Peter Dominic, 10/12 Winchcombe Street	Cheltenham 22733

#### Hampshire

BOURNEMOUTH	Peter Dominic, 272 Old Christchurch Road	Bournemouth 23040
FARNBOROUGH	Fosters Wine Merchants, 49 Queensmead	Farnborough 44221
SOUTHAMPTON	Peter Dominic, 49 Above Bar Street	S'hampton 23516



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## Hertfordshire

BARNET	Fosters Wine Merchants, 77 High Street, Barnet	01-449 3337
BISHOPS STORTFORD	Peter Dominic, 15 Market Square	Bishops Stortford 4087
BOREHAM WOOD	Fosters Wine Merchants, 140 Shenley Road	01-953 1410
HERTFORD	Fosters Wine Merchants, 41 Fore Street	01-433 2038

## Huntingdonshire

HUNTINGDON	Hunter & Oliver, 30 High Street	Huntingdon 3100
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## Kent

BROMLEY	Peter Dominic, 196 High Street	01-460 0151
FARNBOROUGH	Fosters Wine Merchants, 362 Crofton Road	01-36 52241
FOLKESTONE	Peter Dominic, 63 Sandgate Road	Folkestone 54559
MAIDSTONE	Peter Dominic, 40 King Street	Maidstone 54642
MARGATE	Fosters Wine Merchants, 266 Northdown Road, Cliftonville	Margate 23047
SEVENOAKS	Peter Dominic, 19 London Road	Sevenoaks 52164
TUNBRIDGE WELLS	Peter Dominic, 28 Grosvenor Road	Tunbridge Wells 22645

## Lancashire

PRESTON	Fosters Wine Merchants, 59 St. George's Shopping Centre, Friargate Walk	Preston 58167
SOUTHPORT	R. Sidlow, 663 Lord Street	Southport 2420

## Leicestershire

LEICESTER	Fosters Wine Merchants, 38 Belgrave Gate	Leicester 22635
MARKET HARBORO'	Fosters Wine Merchants, 20 The Square	Market Harboro' 2018

## Lincolnshire

GRANTHAM	Fosters Wine Merchants, 39 St. Peter's Hill	Grantham 3319
LINCOLN	Peter Dominic, 255 High Street	Lincoln 28485

## London

W.C.2	Peter Dominic, 2/8 Orange Street, Haymarket	01-839 4877
W.1	Peter Dominic, 33 Shaftesbury Avenue	01-437 7346
W.1.	Fosters Wine Merchants, 34 Shepherd Market	01-499 5453
W.1	Peter Dominic, 82 Marylebone High Street	01-935 6222
W.8	Peter Dominic, 203 Kensington High Street	01-937 3113
S.W.1	Peter Dominic, 65 Knightsbridge	01-235 8583/4
S.W.1	Fosters Wine Merchants, 161 Victoria Street	01-834 3093
S.W.5	Fosters Wine Merchants, 137 Earls Court Road	01-373 5438
N.W.11	Peter Dominic, 84 Golders Green Road	01-455 1427
S.E.3	Fosters Wine Merchants, 36 Tranquil Vale, Blackheath	01-852 0793

## Middlesex

HARROW	Fosters Wine Merchants, 233 Northolt Road, South Harrow	01-422 1753
ICKENHAM	Fosters Wine Merchants, 45 Swakeleys Road	01-713 2326
PINNER	Fosters Wine Merchants, 387 Uxbridge Road, Hatch End	01-428 6891
RUISLIP	Peter Dominic, 52 High Street	01-713 2087
STAINES	Fosters Wine Merchants, 88 High Street	01-79 51941

## Norfolk

NORWICH	Hunter & Oliver, St. Giles Gate, 1 Earlsam Road	Norwich 21705
THETFORD	Hunter & Oliver, 11 White Hart Street	Thetford 2274

## Northamptonshire

NORTHAMPTON	Peter Dominic 5 Mercers Row	Northampton 31387
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# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## Northumberland

HEXHAM	R. Cato & Co., 33 Market Place	Hexham 2251
MORPETH	Fosters Wine Merchants, 17 Bridge Street	Morpeth 2753
NEWCASTLE- UPON-TYNE	Fosters Wine Merchants, 18 Pilgrim Street, 1	Newcastle- upon-Tyne 24828
WHITLEY BAY	Fosters Wine Merchants, 7 Claremont Road	Whitley Bay 22896

## Shropshire

SHREWSBURY	Peter Dominic, 18 St. Mary's Street	Shrewsbury 2234
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## Somerset

BATH	Peter Dominic, 10 Stall Street	Bath 24629
BRIDGWATER	Peter Dominic, 15 Eastover	Bridgwater 2946
TAUNTON	Peter Dominic, 33 Bridge Street	Taunton 84285

## Staffordshire

STOKE-ON-TRENT	Peter Dominic, 113 Church Street	Stoke-on- Trent 47821
TAMWORTH	Fosters Wine Merchants, 2a George Street	Tamworth 2033
WOLVER- HAMPTON	Fosters Wine Market, 31 Wulfrun Way	Wolverh'ton 29800

## Suffolk

BURY ST. EDMUNDS	Hunter & Oliver, 22 Abbeygate Street	Bury St. Edmunds 3041
IPSWICH	Hunter & Oliver, 38 Westgate Street	Ipswich 52600
LOWESTOFT	Hunter & Oliver, 57 London Road North	Lowestoft 2719
NEWMARKET	Hunter & Oliver, 59 High Street	Newmarket 2951
SAXMUNDHAM	Hunter & Oliver, South Entrance	Saxmun'ham 2053
STOWMARKET	Hunter & Oliver, Market Place	Stowmarket 2026
SUDBURY	Hunter & Oliver, 2 King Street	Sudbury 2144

## Surrey

BANSTEAD	Peter Dominic, 119 High Street	Burgh Heath 51627
CAMBERLEY	Peter Dominic, 54 Park Street	Camberley 5444
CARSHALTON	Fosters Wine Merchants, 50 Banstead Road	01-642 1082
CROYDON	Fosters Wine Shop, in Grants Stores, High Street	01-688 4400 Ext. 123
GODALMING	Peter Dominic, 78 High Street	Godalming 258
GUILDFORD	Peter Dominic, 15 Friary Street	Guildford 5844
REDHILL	Peter Dominic, 76 Station Road	Redhill 61824
REIGATE	Peter Dominic, 34 Church Street	Reigate 45464
TOLWORTH	Fosters Wine Merchants, 84 The Broadway	01-399 9543
SUTTON	Peter Dominic, 4 Station Parade	01-642 1008/9
VIRGINIA WATER	Peter Dominic, 3 The Parade, Trumps Green Road	Virginia Water 3594

## Sussex

BEXHILL	Peter Dominic, Clock House, 21 Endwell Road	Bexhill 4
BRIGHTON	Peter Dominic, 54 Churchill Square	Brighton 27311
CRAWLEY	Peter Dominic, 27 The Martlets	Crawley 25656
EASTBOURNE	Peter Dominic, 30 Seaside Road	Eastbourne 22113
EAST GRINSTEAD	Peter Dominic, 93 London Road	East Grinstead 21609
HASTINGS	Peter Dominic, 5 York Buildings	Hastings 482
HAYWARDS HEATH	Peter Dominic, 114/116 South Road	Haywards Heath 4591
HORSHAM	Peter Dominic, Carfax	Horsham 3201/2



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

HOVE Peter Dominic,  
61 Holland Road  
Brighton 732253  
WORTHING Peter Dominic,  
52 Chapel Road  
Worthing 7070/1

## Warwickshire

BIRMINGHAM, 4 Fosters Wine Merchants,  
6 Priory Ringway,  
Colmore Circus 021-236 6733

KENILWORTH Fosters Wine Merchants,  
4 Warwick Road  
Kenilworth 54628

NUNEATON Fosters Wine Merchants,  
46 Church Street  
Nuneaton 5138

SUTTON Fosters Wine Merchants,  
COLDFIELD 12a Burnett Road, Streetly  
021-353 2858

## Wiltshire

CHIPPENHAM Peter Dominic,  
18 The Bridge  
Chippenham 3756

SALISBURY Peter Dominic,  
21 Catherine Street  
Salisbury 6768/9

## Worcestershire

STOURBRIDGE Peter Dominic,  
Bordeaux House,  
High Street  
Stourbridge 4737/8

## Yorkshire

HALIFAX Fosters Wine Merchants,  
6 Princess Street  
Halifax 54587

HARROGATE Fosters Wine Merchants,  
50 Parliament Street  
Harrogate 66193

LEEDS, 1 Fosters Wine Merchants,  
3 Albion Street  
Leeds 20164

SCARBOROUGH Fosters Wine Market,  
79 Newborough  
Scarborough 61660

## SCOTLAND

### Angus

DUNDEE Camerons, 11 Union Street  
Dundee 24300

### Ayrshire

AYR Camerons, 17 Dalblair Arcade  
Ayr 63869  
PRESTWICK Camerons, 77 Main Street  
Ayr 77152

### Dunbartonshire

HELENSBURGH Camerons,  
40 East Princes Street  
Helensburgh 2303

## East Lothian

NORTH BERWICK Camerons,  
104/106 High Street  
North Berwick 2924

## Inverness

INVERNESS Camerons, 21 Queensgate  
Inverness 33112

## Midlothian

EDINBURGH, 9 Camerons, 10 Beaufort Road  
031-447 3394  
EDINBURGH, 10 Camerons,  
214 Morningside Road  
031-447 7550

EDINBURGH, 15 Camerons,  
140 Portobello High Street  
031-669 4138

## Perthshire

PERTH Peter Dominic,  
74/76 St. John Street  
Perth 24415

## Renfrewshire

PAISLEY Camerons,  
72 Causeyside Street  
041-889 3615

## Selkirkshire

GALASHIELS Camerons, 84 Channel Street  
Galashiels 3423

## West Lothian

BATHGATE Camerons, 35 George Street  
Bathgate 3442

## WALES

### Denbighshire

RUTHIN Fosters Wine Merchants,  
14 St. Peter's Square  
Ruthin 2751

### Glamorganshire

CARDIFF Peter Dominic,  
130 Queen Street  
Cardiff 27801

NEATH Fosters Wine Merchants,  
10 The Parade  
Neath 2453

SWANSEA Fosters Wine Merchants,  
Mond Buildings,  
Union Street  
Swansea 54872

### Monmouthshire

ABERGAVERNYY Fosters Wine Merchants,  
46 Cross Street  
Abergavenny 34

CWMBRAN Fosters Wine Merchants,  
7 Caradoc Road  
Cwmbran 2507

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED



## Carrier Bags and Matches

Peter Dominic, having created a lively 'corporate identity' through their chain of retail outlets, ensure that the house style is carried right into the home and office by its use on carrier bags, matchboxes and other materials.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## AUDITORS' REPORT

To the Members of International Distillers and Vintners Limited.

In our opinion the accounts on pages 18 to 31, incorporating the accounts of certain subsidiaries which have been audited by other firms, have been properly prepared in accordance with the provisions of the Companies Acts 1948 and 1967 and give a true and fair view of the state of affairs of the Company at 31st May, 1968 and, so far as concerns members of the Company, of the state of affairs and the profit of the Group.

TURQUAND, YOUNGS & CO.,  
Chartered Accountants.

20th November, 1968

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MAY 1968

	£	£	1967 £
<b>GROUP SALES</b> (Note 8) . . . . .		<u>81,067,000</u>	<u>51,345,000</u>
 <b>TRADING PROFIT</b> . . . . .		7,617,000	4,745,000
Estimated Profit on Increase in Duty . . . . .		235,000	155,000
Income from Unquoted Investments . . . . .		<u>10,000</u>	<u>11,000</u>
		7,862,000	4,911,000
<i>Deduct:</i>			
Debenture, Loan Stock and Other Interest (Note 9) . . . . .	459,000		383,000
Bank Interest and Acceptance Credit Charges . . . . .	719,000		408,000
Depreciation . . . . .	648,000		528,000
Leasing and Hire of Plant and Machinery . . . . .	123,000		54,000
Directors' Remuneration (Note 10) . . . . .	<u>194,000</u>		<u>257,000</u>
		<u>2,143,000</u>	<u>1,630,000</u>
 <b>PROFIT BEFORE TAXATION</b> . . . . .		5,719,000	3,281,000
Taxation (Note 11) . . . . .		<u>2,508,000</u>	<u>1,352,000</u>
		3,211,000	1,929,000
Proportion of Profits Attributable to Interest of Outside Shareholder . . . . .		<u>4,000</u>	<u>25,000</u>
 <b>PROFIT ATTRIBUTABLE TO INTERNATIONAL DISTILLERS AND VINTNERS LTD</b> (Note 12) .		3,207,000	1,904,000



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

	£	£	£ 1967	£
<b>PROFIT ATTRIBUTABLE TO INTERNATIONAL DISTILLERS AND VINTNERS LTD</b>		3,207,000		1,904,000
<b>APPROPRIATIONS MADE AND RECOMMENDED</b>				
Dividends				
6% Cumulative Redeemable Preference Shares . . . . .	6,000		6,000	
6% Cumulative Second Preference Shares . . . . .	43,000		43,000	
Ordinary Shares—Interim of 6% paid 5th August 1968 (19% 1967) . . . . .	781,000		1,741,000	
—Proposed Final of 13.6% (Nil 1967) . . . . .	1,769,000		—	
	<u>2,599,000</u>		<u>1,790,000</u>	
<i>Less Transitional Taxation relief under the provisions of the Finance Act 1965 including adjustments for prior years . . . . .</i>	<u>118,000</u>		<u>57,000</u>	
	2,481,000		1,733,000	
Debenture Redemption Sinking Fund . . . . .	4,000		2,000	
Capital Reserve . . . . .	<u>1,000</u>		<u>1,000</u>	
		2,486,000		1,736,000
		<u>721,000</u>		<u>168,000</u>
<b>UNAPPROPRIATED PROFIT BROUGHT FORWARD FROM LAST YEAR</b> . . . . .	2,536,000		2,449,000	
<i>Less Provision for Past Service element of Overseas Pension and Leave Plans . . . . .</i>	—		81,000	
Payments by way of damages for termination of Service Agreements of former Directors (£264,000) less estimated relief for Corporation Tax (£112,000) . . . . .	<u>152,000</u>		<u>—</u>	
		2,384,000		<u>2,368,000</u>
<b>UNAPPROPRIATED PROFIT CARRIED FORWARD</b>				
In the accounts of the Subsidiary Companies . . . . .	2,294,000		2,457,000	
In the accounts of the Parent Company . . . . .	<u>811,000</u>		<u>79,000</u>	
		<u>£3,105,000</u>		<u>£2,536,000</u>

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## CONSOLIDATED BALANCE SHEET AT 31ST MAY, 1968

	Authorised	Issued and fully paid	1967 Authorised	1967 Issued and fully paid
	£	£	£	£
<b>CAPITAL AND RESERVES</b>				
<b>Share Capital</b>				
6% Cumulative Redeemable Preference Shares of £1 each, redeemable after 1st April, 1957 . . . . .	91,000	91,000	91,000	91,000
6% Cumulative Second Preference Shares of £1 each . . . . .	1,000,000	720,000	1,000,000	720,000
Ordinary Shares of 5s. each (Note 1) . . . . .	14,000,000	13,011,000	10,000,000	9,165,000
	<u>£15,091,000</u>	<u>13,822,000</u>	<u>£11,091,000</u>	<u>9,976,000</u>
<b>Capital Reserves</b>				
Share Premium Account (Note 2) . . . . .	17,510,000		4,897,000	
General (Note 2) . . . . .	1,127,000		716,000	
Debenture Redemption Sinking Fund . . . . .	13,000		9,000	
	<u>18,650,000</u>		<u>5,622,000</u>	
<b>Revenue Reserve</b>				
Unappropriated Profit . . . . .		3,105,000		2,536,000
Total Interest of Members . . . . .		<u>£35,577,000</u>		<u>£18,134,000</u>



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

	£	£	£	£	1967 £	£
<b>NET ASSETS</b>						
<b>Fixed Assets</b>						
Freehold and Leasehold Properties, Plant, Motor Vehicles etc. (Note 7) . . . . .		12,608,000			10,770,000	
Unquoted Investments at cost (Directors' Valuation £276,000) . . . . .	356,000			221,000		
Less Amounts written off . . . . .	104,000			32,000		
		252,000			189,000	
			12,860,000			10,959,000
<b>Current Assets</b>						
Stocks (Note 3) . . . . .	23,530,000			17,956,000		
Debtors and Prepayments less Provision for doubtful debts . . . . .	11,921,000			6,008,000		
Cash and Bank Balances—in the United Kingdom (Note 1) . . . . .	1,860,000			155,000		
—Overseas . . . . .	211,000			157,000		
		37,522,000			24,276,000	
<b>Less Current Liabilities</b>						
Debenture Interest—gross (Secured) . . . . .	23,000			67,000		
Interest on 7½% Unsecured Loan Stock 1987-92—gross . . . . .	71,000			71,000		
Trade and Sundry Creditors . . . . .	8,552,000			5,145,000		
Current Taxation . . . . .	1,366,000			1,096,000		
Bank Overdrafts—in the United Kingdom (Note 1) . . . . .	—			2,594,000		
—Overseas . . . . .	3,645,000			1,877,000		
Acceptance Credits—in the United Kingdom . . . . .	1,500,000			900,000		
—Overseas . . . . .	402,000			345,000		
Dividends declared and accrued—gross . . . . .	801,000			1,762,000		
Proposed Final Dividend on Ordinary Shares—gross . . . . .	1,769,000			—		
		18,129,000			13,857,000	
Net Current Assets . . . . .		19,393,000			10,419,000	
Less Deferred Liabilities and Provisions (Note 4) . . . . .		2,057,000			1,104,000	
			17,336,000			9,315,000
				30,196,000		20,274,000
Less Loan Capital (Note 5) . . . . .				5,845,000		5,995,000
				24,351,000		14,279,000
Add Goodwill and Cost of Control of Subsidiary Companies less Amounts written off (Note 6) . . . . .				11,240,000		5,405,000
				35,591,000		19,684,000
Less Interest of Outside Shareholder in Subsidiary Company . . . . .				14,000		1,550,000
Total Net Assets . . . . .			£35,577,000			£18,134,000

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## BALANCE SHEET AT 31ST MAY, 1968

	Authorised £	Issued and fully paid £	1967 Authorised £	Issued and fully paid £
<b>CAPITAL AND RESERVES</b>				
<b>Share Capital</b>				
6% Cumulative Redeemable Preference Shares of £1 each, redeemable after 1st April, 1957 . . . . .	91,000	91,000	91,000	91,000
6% Cumulative Second Preference Shares of £1 each . . . . .	1,000,000	720,000	1,000,000	720,000
Ordinary Shares of 5s. each (Note 1) . . . . .	14,000,000	13,011,000	10,000,000	9,165,000
	<u>£15,091,000</u>	<u>13,822,000</u>	<u>£11,091,000</u>	<u>9,976,000</u>
<b>Capital Reserves</b>				
Share Premium Account (Note 2) . . . . .	17,510,000		4,897,000	
General (Note 2) . . . . .	<u>462,000</u>	<u>17,972,000</u>	<u>—</u>	<u>4,897,000</u>
		<u>31,794,000</u>		<u>14,873,000</u>
<b>Revenue Reserve</b>				
Unappropriated Profit . . . . .		811,000		79,000

H. C. B. BERENS  
F. F. G. HENNESSY } *Directors.*

Interest of Members . . . . . £32,605,000 £14,952,000



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

	£	£	£	£	1967 £	£
<b>NET ASSETS</b>						
<b>Fixed Assets</b>						
Freehold and Leasehold Properties, Plant, Motor Vehicles etc. (Note 7)		4,178,000			248,000	
Unquoted Investments at cost (Directors' Valuation £61,000)	143,000			20,000		
Less Amounts written off	96,000			—		
		47,000			20,000	
			4,225,000			268,000
<b>Subsidiary Companies</b>						
Shares		19,887,000			14,825,000	
Amounts owing by Subsidiaries		4,609,000			6,664,000	
		24,496,000			21,489,000	
Less Amounts owing to Subsidiaries		223,000			65,000	
			24,273,000			21,424,000
			28,498,000			21,692,000
<b>Current Assets</b>						
Stocks (Note 3)	6,655,000			—		
Debtors and Prepayments less Provision for doubtful debts	2,498,000			249,000		
Cash and Bank Balances—in the United Kingdom (Note 1)	2,363,000			—		
		11,516,000			249,000	
<b>Less Current Liabilities</b>						
Debenture Interest—gross (Secured)	18,000			—		
Interest on 7½% Unsecured Loan Stock 1987-92—gross	71,000			71,000		
Trade and Sundry Creditors	1,358,000			159,000		
Bank Overdrafts—in the United Kingdom (Note 1)	—			1,997,000		
—Overseas	2,000			—		
Acceptance Credits—in the United Kingdom	1,500,000			—		
Dividends declared and accrued—gross	801,000			1,762,000		
Proposed Final Dividend on Ordinary Shares—gross	1,769,000			—		
		5,519,000			3,989,000	
		5,997,000			(3,740,000)	
Less Pension Fund—Past Service Provision		129,000				(3,740,000)
			5,868,000			
			34,366,000			17,952,000
Less Loan Capital (Note 5)			5,443,000			3,000,000
			28,923,000			14,952,000
Add Goodwill less amounts written off (Note 6)			3,682,000			—
<b>Net Assets</b>			£32,605,000			£14,952,000

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## NOTES ON THE ACCOUNTS AT 31ST MAY, 1968

### 1 SHARE CAPITAL

In accordance with the resolution passed on 24th May, 1968, the Authorised Capital of the Company was increased by the creation of 16,000,000 additional ordinary shares of 5s. each, of which 9,600,000 shares were issued as fully paid in exchange for the whole of the issued share capital of Brown & Pank Limited.

Subsequently, a further 5,782,551 ordinary shares of 5s. each were issued by way of rights, on the basis of 1 share for every 8 shares held, at a price of 22s. 6d. per share. Payment for these shares was due on or before 7th June, 1968. For the purposes of clarity, the Issued Share Capital and United Kingdom Bank Overdrafts and Bank Balances in the Balance Sheets at 31st May, 1968, have been adjusted to reflect the issue of and payment for these shares as having been completed by that date.

### 2 MOVEMENTS IN RESERVES

	The Company		The Group	
	£	£	£	£
<b>Capital</b>				
<b>Share Premium Account</b>				
Balance 31st May, 1967		4,897,000		4,897,000
Add Premium on Shares issued		12,740,000		12,740,000
		<u>17,637,000</u>		<u>17,637,000</u>
Deduct Expenses of Share Issues		127,000		127,000
Balance 31st May, 1968		<u>£17,510,000</u>		<u>£17,510,000</u>
<b>General</b>				
Balance 31st May, 1967		—		716,000
Add Profit on Exchange		96,000		587,000
Capital Distributions from Subsidiaries		493,000		—
Profits less Losses on Sale of Properties, etc. (other than those revalued in 1965)		—		32,000
Transfer from Profit and Loss Account		—		1,000
		<u>589,000</u>		<u>1,336,000</u>
Deduct Expenses incurred in resisting bid to acquire the Company	127,000		127,000	
Amount written off Unquoted Investment	—		82,000	
		<u>127,000</u>		<u>209,000</u>
Balance 31st May, 1968		<u>£462,000</u>		<u>£1,127,000</u>

### 3 STOCKS

Stocks are valued at cost including, where appropriate, costs of production and overheads applicable thereto, less such provisions as are necessary to reduce particular items to net realisable value. This basis is consistent with that used in previous years.

### 4 DEFERRED LIABILITIES AND PROVISIONS

	The Group	1967
	£	£
Corporation Tax payable 1st September, 1969	454,000	—
Corporation Tax payable 1st January, 1970	1,247,000	720,000
	<u>1,701,000</u>	<u>720,000</u>
Pension Fund—Past Service	263,000	289,000
Other Pensions	74,000	74,000
Long Service Leave	19,000	21,000
	<u>£2,057,000</u>	<u>£1,104,000</u>



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## 5 LOAN CAPITAL

### Secured

#### *Repayable after 5 years*

	The Company	The Group	1967	
	£	£	The Company	The Group
			£	£
4½% Debenture Stock 2002-07 . . . . .	979,000	979,000	—	—
4¼% Debenture Stock 1970-75 . . . . .	400,000	400,000	—	—
6¼% Debenture Stock 1981-86 . . . . .	1,000,000	1,000,000	—	—
4¼% Perpetual Debenture Stock . . . . .	—	—	—	979,000
4½% Second Debenture Stock 1970-75 . . . . .	—	—	—	400,000
6½% Second Debenture Stock 1981-86 . . . . .	—	—	—	1,000,000
4¼% Redeemable Guaranteed Debenture Stock 1979-84 . . . . .	—	164,000	—	168,000
7% Debenture Stock 1977 . . . . .	—	—	—	117,000
Other Loans . . . . .	—	4,000	—	4,000

#### *Repayable within 5 years*

5¼% Debenture repayable by instalments 1963-69 . . . . .	—	111,000	—	204,000
Other Loans . . . . .	—	7,000	—	28,000

### Unsecured

#### *Repayable after 5 years*

7½% Loan Stock 1987-92 . . . . .	3,000,000	3,000,000	3,000,000	3,000,000
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#### *Repayable within 5 years*

Other Loans . . . . .	64,000	180,000	—	95,000
	<u>£5,443,000</u>	<u>£5,845,000</u>	<u>£3,000,000</u>	<u>£5,995,000</u>

Other Loans, Secured and Unsecured, bear varying interest rates at an average of 7% (1967—5%)

## 6 GOODWILL AND COST OF CONTROL OF SUBSIDIARY COMPANIES

Goodwill and Cost of Control of Subsidiary Companies . . . . .	4,733,000	12,982,000	—	7,164,000
Deduct Unrealised surplus on revaluation of Freehold Properties in 1965 . . . . .	1,012,000	1,563,000	—	1,652,000
Realised profits on revalued Freehold Properties sold . . . . .	39,000	179,000	—	107,000
	<u>£3,682,000</u>	<u>£11,240,000</u>	<u>—</u>	<u>£5,405,000</u>

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## NOTES ON THE ACCOUNTS AT 31ST MAY, 1968

continued

### 7 FIXED ASSETS

### COST OR VALUATION

	At 31st May, 1967	Assets Transferred from Group Companies	Additions	Disposals	At 31st May, 1968
	£	£	£	£	£
<b>The Company</b>					
Freehold Properties at Professional Valuation in 1965 . . . . .	—	1,387,000	—	1,000	1,386,000
Freehold Properties at Cost . . . . .	103,000	98,000	64,000	4,000	261,000
Leasehold Properties at Cost . . . . .	100,000	1,403,000	43,000	—	1,546,000
Plant, Furniture and Fittings at Cost . . . . .	69,000	1,355,000	124,000	22,000	1,526,000
Motor Vehicles at Cost . . . . .	—	244,000	70,000	55,000	259,000
	<u>£272,000</u>	<u>£4,487,000</u>	<u>£301,000</u>	<u>£82,000</u>	<u>£4,978,000</u>
1967 . . . . .	<u>£162,000</u>	<u>—</u>	<u>£110,000</u>	<u>—</u>	<u>£272,000</u>
<b>The Group</b>					
Freehold Properties at Professional Valuation in 1965 . . . . .	3,519,000	—	—	185,000	3,334,000
Freehold Properties at Professional Valuation in 1968* . . . . .	—	—	825,000	—	825,000
Freehold Properties at Cost . . . . .	2,289,000	—	539,000	6,000	2,822,000
Leasehold Properties at Cost . . . . .	2,010,000	—	103,000	62,000	2,051,000
Plant, Furniture and Fittings at Cost . . . . .	4,927,000	—	1,431,000	282,000	6,076,000
Motor Vehicles at Cost . . . . .	636,000	—	146,000	165,000	617,000
	<u>£13,381,000</u>	<u>—</u>	<u>£3,044,000</u>	<u>£700,000</u>	<u>£15,725,000</u>
1967 . . . . .	<u>£12,424,000</u>	<u>—</u>	<u>£1,401,000</u>	<u>£444,000</u>	<u>£13,381,000</u>

\*As valued on basis of Market Value by Messrs. Chamberlain & Willows.

Leasehold Properties (net) include properties, the leases of which have over 50 years to termination, of:  
The Company £1,370,000 (1967 £94,000)      The Group £1,519,000 (1967 £1,501,000).



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## DEPRECIATION AND AMOUNTS WRITTEN OFF

## NET

At 31st May, 1967	Depreciation on Assets Transferred from Group Companies	Adjustments on Disposals and other Movements	Provided in the Year	At 31st May, 1968	1968	1967
£	£	£	£	£	£	£
—	28,000	—	13,000	41,000	1,345,000	—
—	4,000	—	4,000	8,000	253,000	103,000
6,000	35,000	—	12,000	53,000	1,493,000	94,000
18,000	441,000	13,000	110,000	556,000	970,000	51,000
—	136,000	43,000	49,000	142,000	117,000	—
£24,000	£644,000	£56,000	£188,000	£800,000	£4,178,000	£248,000
£16,000	—	—	£8,000	£24,000	£248,000	£146,000
67,000	—	4,000	31,000	94,000	3,240,000	3,452,000
—	—	—	—	—	825,000	—
269,000	—	1,000	31,000	299,000	2,523,000	2,020,000
151,000	—	16,000	37,000	172,000	1,879,000	1,859,000
1,767,000	—	(3,000)	429,000	2,199,000	3,877,000	3,160,000
357,000	—	124,000	120,000	353,000	264,000	279,000
£2,611,000	—	£142,000	£648,000	£3,117,000	£12,608,000	£10,770,000
£2,255,000	—	£172,000	£528,000	£2,611,000	£10,770,000	£10,169,000

The Surplus on revaluation of Freehold Properties in 1965 has been applied in reduction of Goodwill and Cost of Control of Subsidiary Companies (Note 6).

Government Grants have been deducted from Additions and the provision for depreciation for the year has been calculated on the net cost.

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## NOTES ON THE ACCOUNTS AT 31ST MAY, 1968

continued

### 8 GROUP SALES

Group Sales consist of the proceeds of sales less returns and allowances to external customers and include the duty thereon where appropriate, except in the case of certain overseas companies where it is not the practice to include duty in sales. Overseas Sales and Royalties Receivable under Royalty Agreements are not included nor are Commissions Receivable where the Group acts as agent.

### 9 DEBENTURE, LOAN STOCK AND OTHER INTEREST

	£	1967 £
On Loan Capital repayable within 5 years	97,000	26,000
On Loan Capital repayable after 5 years	362,000	357,000
	<u>£459,000</u>	<u>£383,000</u>

### 10 DIRECTORS' REMUNERATION

Fees as Directors	1,000	1,000
Salaries and other remuneration as Executives, including pension contributions	193,000	256,000
	<u>£194,000</u>	<u>£257,000</u>

Fees and Salaries include:

The Chairman	£6,000	£6,000
The highest paid Director whose duties were discharged wholly or mainly in the United Kingdom	£18,000	£27,000

Directors whose duties were discharged wholly or mainly in the United Kingdom, including the above and 10 (1967—Nil) for part year only:

	Number of Directors	Number of Directors
Nil to £ 2,500	6	2
£ 2,501 to £ 5,000	1	—
£ 5,001 to £ 7,500	5	2
£ 7,501 to £10,000	—	2
£10,001 to £12,500	3	6
£12,501 to £15,000	1	1
£15,001 to £17,500	2	1
£17,501 to £20,000	1	1
£25,001 to £27,500	—	1
	<u>19</u>	<u>16</u>

### 11 TAXATION

On the Profits of the year:

	£	1967 £
United Kingdom Corporation Tax at 42½% (1967—40%)	1,669,000	738,000
Overseas Taxation	878,000	669,000
	<u>2,547,000</u>	<u>1,407,000</u>
Less over provisions in previous years	39,000	55,000
	<u>£2,508,000</u>	<u>£1,352,000</u>



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## 12 UNAPPROPRIATED PROFIT OF THE COMPANY

	£	£	£	1967	£
Balance 31st May, 1967		79,000			47,000
Add Dividends from Subsidiary Companies out of prior years' profit . . . . .		1,447,000			—
		1,526,000			47,000
Deduct Payments by way of damages for termination of Service Agreements of former Directors (net) . . . . .		152,000			—
		1,374,000			47,000
Add Profit attributable to International Distillers and Vintners Limited . . . . .	3,207,000		1,904,000		
Less Profit retained in Subsidiary Companies . . . . .	1,246,000		90,000		
		1,961,000			1,814,000
		3,335,000			1,861,000
Deduct Dividends as detailed in Consolidated Profit and Loss Account . . . . .	2,599,000		1,790,000		
Less Transitional Taxation relief in respect of prior years . . . . .	75,000		8,000		
		2,524,000			1,782,000
Balance 31st May, 1968 . . . . .		£811,000			£79,000

## 13 AUDITORS' REMUNERATION

Auditors' Remuneration charged against trading profit . . . . .	£40,000	£25,000
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## 14 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(a) Commitments for Capital Expenditure:		
the Company . . . . .	£225,000	£20,000
the Group . . . . .	£620,000	£330,000
(b) Capital Expenditure authorised but not contracted for:		
the Company . . . . .	£1,535,000	Not Available
the Group . . . . .	£1,720,000	Not Available
(c) Contingent Liabilities in respect of Guarantees:		
the Company mainly in respect of borrowings of certain		
Subsidiary Companies . . . . .	£975,000	£959,000
the Group . . . . .	£95,000	£70,000

## 15 OVERSEAS COMPANIES

- (a) Current Assets, Liabilities and Trading profits and losses in foreign currencies have been converted into sterling at rates ruling at 31st May, 1968. Fixed Assets in general have been converted at rates ruling at dates of acquisition or revaluation.
- (b) To meet the requirements of local overseas legislation the accounts of two Subsidiary Companies have been made up to 31st December, 1967.

# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

Incorporated in Great Britain and Registered in England on 5th May, 1952.

## UNITED KINGDOM SUBSIDIARY COMPANIES

	Country of Registration	Operations	Particulars of Issued Shares	Held by Company	Held by, or by a Nominee for, a Subsidiary of the Company	Company's Interest
Brown & Pank Ltd.	England	Wine and Spirit Shippers and Wholesalers	Ord. Shares of £1 each	19,999	1	100%
with its wholly-owned subsidiary			5% Non. Cum. Pref.			
Brown, Gore & Welch Ltd.	England	Agency Company	Shares of £1 each	100	—	100%
			Ord. Shares of £1 each	—	50,911	100%
*James Catto & Co. Ltd.	Scotland	Scotch Whisky Blenders	Ord. Shares of £1 each	49,999	1	100%
*W. Coates & Co. Ltd.	England	City Wine Bar	Ord. Shares of £1 each	29,999	1	100%
Corney & Barrow Ltd.	England	City Wine and Spirit Merchants	Ord. Shares of £1 each	97,999	1	100%
Croft & Co. Ltd.	England	Port Shippers	Ord. Shares of £10 each	7,299	1	100%
*Gilbeys Limited	England	Distillers, Wine Merchants and Exporters	Ord. Shares of 5/- each	28,799,999	1	100%
*Gilbey Twiss Ltd.	England	Agency Company	Ord. Shares of £1 each	51,920	1	100%
*W. & A. Gilbey Ltd.	England	Distillers and Wine Shippers	Ord. Shares of £1 each	2,829,795	1	100%
*Julian & Trower Ltd.	England	Scotch Whisky Blenders	Ord. Shares of £1 each	69,999	1	100%
Justerini & Brooks Ltd.	England	Wine and Spirit Merchants and Exporters	Ord. Shares of £1 each	86,499	1	100%
*Justerini & Brooks (Overseas) Ltd.	England	Export Management Company	Ord. Shares of £1 each	99	1	100%
Morgan Bros. (London) Ltd.	England	Port Shippers	Ord. Shares of 5/- each	38,999	1	100%
Sodastream Ltd.	England	Soft Drink Machine and Beer Dispenser Suppliers	Ord. Shares of £1 each	66,749	1	100%
*Twiss & Brownings & Hallows (Export) Ltd.	England	Export Marketing Company	Ord. Shares of £1 each	99	1	100%
United Vintners Ltd.	England	Holding Company	Ord. Shares of £1 each	499,999	1	100%
with its wholly-owned subsidiaries						
Peter Dominic Ltd.	England	Wine and Spirit Retailers	Ord. Shares of £1 each	—	500,000	100%
Directors' Wine Club Ltd.	England	Mail Order Company	Ord. Shares of £1 each	—	100	100%
Women's Wine Club Ltd.	England	Mail Order Company	Ord. Shares of £1 each	—	100	100%
*Morgan Furze & Co. Ltd.	England	Wholesalers	Ord. Shares of £1 each	—	9,250	100%
*Wine Selection (International) Ltd.	England	Specialised Wine Exporters	Ord. Shares of £1 each	999	1	100%

## UNITED KINGDOM ASSOCIATED COMPANIES

J. E. Mather & Sons Ltd.	England	Wine Producers	4,000 7½ Cum. Pref. Shares of £1 each	—	—	—
			1,580 Ord. A Shares of 5/- each	—	—	—
			1,464 Ord. B Shares of 5/- each	—	732	50%
			Reserves £215,097			
St. James' Bonded Warehouse Ltd.	England	Warehousing Company	50,000 Ord. Shares of £1 each	—	12,500	25%
*Management Companies			Reserves £2,000			



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

Incorporated in Great Britain and Registered in England on 5th May, 1952.

## OVERSEAS SUBSIDIARY COMPANIES

	Country of Incorporation	Operations	Particulars of Issued Shares	Held by Company	Held by, or by a Nominee for, a Subsidiary of the Company	Company's Interest
Croft & Co. Ltd.	Portugal	Port Shippers	Stock Escudos	—	30,000,000	100%
Delaforce Sons & Co., Vinhos S.A.R.L.	Portugal	Port Shippers	Shares of Esc. 1,000 each	—	10,000	100%
Gilbeys Australia (Pty.) Ltd.	Australia	Distillers and Wholesalers	Shares of \$1 each	3,757,418	1	100%
Gilbey Canada Ltd.	Canada	Distillers and Wholesalers	Common Shares of \$1 each	1,852,996	4	100%
Gilbey-France, S.A.	France	Bordeaux Purchasing Company	Shares of Fcs. 100 each	—	1,000	100%
Gilbeys of Ireland Ltd.	Republic of Ireland	Agency Company and Wholesalers	Ord. Shares of £1 each	224,741	1	100%
Gilbeys New Zealand Ltd.	New Zealand	Distillers and Wholesalers	Shares of \$1 each	—	200,000	100%
Gilbey-Santhagens (Pty.) Ltd.	South Africa	Distributors	Shares of Rand 1 each	—	1,000	100%
W. & A. Gilbey (East Africa) Ltd.	Kenya	Distillers	Ord. Shares of K£1 each	47,357	—	72.9%
W. & A. Gilbey (S.A.) (Pty.) Ltd.	South Africa	Distillers	Shares of Rand 2 each	249,999	1	100%
Morgan Bros. Ltd.	Portugal	Port Shippers	Stock Escudos	—	50,000	100%
R. Santhagens (Cape) (Pty.) Ltd.	South Africa	Distillers and Wine Merchants	Shares of Rand 2 each	—	225,000	100%
Sté. Pierre Smirnoff (Canada) Ltd.	Canada	Vodka Distillers	Shares of \$1 each	—	100	100%
18th Street Warehousing Ltd.	Canada	Warehousing Company	Common Stock of No Par Value	—	100	100%

## OVERSEAS ASSOCIATED COMPANIES

Gilbey Nobilo Ltd.	New Zealand	Wine Growers	1,200 Ord. Shares of \$1 each Reserves \$5,085	—	600	50%
The New Zealand Distillery Co. Ltd.	New Zealand	Distillers	300,000 Ord. Shares of \$2 each Reserves \$239,043	—	50,000	16.7%
Rhodesian Wines (Pvt.) Ltd.	Rhodesia	Distillers	6,000 Ord. Shares of Rh £1 each Loan Capital Rh £240,000 Reserves Rh £6,969	2,000 80,000	—	33.3% 33.3%

Certain subsidiary companies and other bodies corporate in which International Distillers & Vintners Limited holds equity share capital or shares exceeding one tenth of the amount of its assets have been omitted from the preceding lists because in the opinion of the directors particulars of excessive length would be given and because either the results of their business did not principally affect the profit or amount of the assets of the Company or the companies themselves are dormant. The particulars of these companies and other bodies corporate will be annexed to the next Annual Return of the Company.



# INTERNATIONAL DISTILLERS AND VINTNERS LIMITED

## GENERAL INFORMATION

### INTERIM REPORTS

Interim Reports are circulated each year to Ordinary Shareholders in December for the first four months of the then current financial year to 30th September; in May for the second four months and the eight months to 31st January and in September for the twelve months to 31st May.

### CAPITAL GAINS TAX

*Market values of the Company's shares as on 6th April, 1965, for the purpose of ascertaining United Kingdom long-term Capital Gains Tax.*

5s. Ordinary Shares	11s. 6d.
£1 6% Cumulative Redeemable Preference Shares	18s. 3d.
£1 6% Cumulative Second Preference Shares	17s. 0d.

*Equivalent values of the Company's Ordinary Shares adjusted for:*

(a) the 1 for 13 Scrip Issue on 3rd May, 1965	10/8.14d.
(b) the above Scrip Issue and the Rights Issue of 1 for 8 at 22s. 6d. on 27th May, 1968	11/11.90d.

The application of the above information will vary according to the particular circumstances of individual shareholders.

*The market values of the Company's Debenture Stocks (then Gilbeys Limited Debenture Stocks) on 6th April, 1965 for Capital Gains Tax purposes were:*

4½% Perpetual Debenture Stock	£60½
4½% Second Debenture Stock 1970/75	£80½
6½% Second Debenture Stock 1981/86	£95½

### DIARY OF INTEREST AND DIVIDEND PAYMENTS

4½% Debenture Stock 2002/07	Half yearly	1st January and 1st July
4½% Debenture Stock 1970/75	Half yearly	1st June and 1st December
6½% Debenture Stock 1981/86	Half yearly	1st June and 1st December
7½% Unsecured Loan Stock 1987/92	Half yearly	6th February and 6th August
6% Cumulative Redeemable Preference Shares	Half yearly	1st January and 1st July
6% Cumulative Second Preference Shares	Half yearly	30th June and 31st December
Ordinary Shares	Interim	Normally paid in August
Ordinary Shares	Final	Normally paid in January

Subject to confirmation the proposed Final Dividend of 13.6% (8.16d. per Share) on the Ordinary Shares will be payable on 13th January, 1969 to holders on the register on 25th November, 1968. Warrants will be posted on 11th January, 1969.

### ORDINARY SHAREHOLDERS AND SHAREHOLDINGS AS ON 8TH JULY, 1968

	Number of Shareholdings	%	Number of Shares	%
Investment Trusts	63	0.67	11,064,928	21.26
Insurance Companies	46	0.49	3,163,317	6.08
Pension Funds	50	0.53	1,085,735	2.09
Banks and Bank Nominees	290	3.10	15,180,703	29.17
Other Corporations	279	2.98	8,692,465	16.70
	728	7.77	39,187,148	75.30
Private Holders	8,638	92.23	12,855,806	24.70
	9,366	100.00	52,042,954	100.00





